New for
2016

LEVEL 3
CERTIFICATE IN
APPLIED BUSINESS
180 GLH (TVQ01026)

LEVEL 3
EXTENDED
CERTIFICATE IN
APPLIED BUSINESS
360 GLH (TVQ01027)

Specifications
First registration September 2016 onwards

Version 1.0 September 2015

Applied General
qualifications from AQA

Contents

1   About these qualifications

These qualifications meet the Department for Education (DfE) design requirements for Applied Generals and are Advanced (Level 3) Applied qualifications, on a par with A-levels, built in close collaboration with higher education and professional bodies ensuring that they have both recognition and value.

They are for learners over the age of 16 who wish to continue their education through applied learning.

They fulfil entry requirements for a range of higher education courses, either by meeting the entry requirements in their own right or being accepted alongside and adding value to other qualifications at the same level. These qualifications could also support learners in progressing to a related apprenticeship or into employment.

The Statements of purpose (pages 10 and 14) give more detail on the likely progression for learners with these qualifications.

2 Qualifications at a glance – overview

2.1 Level 3 Certificate in Applied Business

Ofqual qualification number	601/7145/5	**AQA qualification number**	TVQ01026
First registration date	1 September 2016	**Age range**	16–18, 19+
Last registration date	30 August 2020	**UCAS points**	Information on UCAS points can be obtained from ucas.com
Last certification date	30 August 2023	**Performance table points**	Information on performance measures can be found at education.gov.uk
Total guided learning hours (GLH)	180 (See GLH section for more information)	**Eligibility for funding**	Yes
Unit weighting Externally assessed Internally assessed	33.3% each unit 66.6% externally assessed 33.3% internally assessed	**Entry requirements**	There are no formal entry requirements for this qualification set by AQA.

Mandatory units	All units in this qualification are mandatory.
Resubmission of learner work	Resubmission of an internally assessed assignment (ie a corrected version of an original assignment) is permitted only where the tutor believes that the learner's work will be able to achieve the performance criteria targeted by an assignment without further guidance. The learner is not permitted any further resubmissions or retakes.
Examination re-sits	Learners failing to reach the required standard or deemed to have underperformed may have the option of one re-sit opportunity.

Assessment model	This qualification contains externally assessed and internally assessed units. Internally assessed units are externally moderated by AQA.	**Examination sessions**	January and June each year.

Grading	The units are graded Pass, Merit or Distinction

The overall qualification is graded as P, M, D, D* |

2.2 Level 3 Extended Certificate in Applied Business

Ofqual qualification number	601/7146/7	AQA qualification number	TVQ01027
First registration date	1 September 2016	Age range	16–18, 19+
Last registration date	30 August 2020	UCAS points	Information on UCAS points can be obtained from ucas.com
Last certification date	30 August 2023	Performance table points	Information on performance measures can be found at education.gov.uk
Total guided learning hours (GLH)	360 (See GLH section for more information)	Eligibility for funding	Yes
Unit weighting Externally assessed Internally assessed	16.6% each unit 50% externally assessed 50% internally assessed	Entry requirements	There are no formal entry requirements for this qualification set by AQA.

Mandatory units	This qualification has five mandatory units.
Optional units	Learners are required to achieve one optional unit from a choice of three
Resubmission of learner work	Resubmission of an internally assessed assignment (ie a corrected version of an original assignment) is permitted only where the tutor believes that the learner's work will be able to achieve the performance criteria targeted by an assignment without further guidance. The learner is not permitted any further resubmissions or retakes.
Examination re-sits	Learners failing to reach the required standard or deemed to have underperformed may have the option of one re-sit opportunity.

Assessment model	This qualification contains externally assessed and internally assessed units. Internally assessed units are externally moderated by AQA.	Examination sessions	January and June each year.

Grading	The units are graded Pass, Merit or Distinction The overall qualification is graded as P, M, D, D*

3 Level 3 Certificate in Applied Business: Statement of purpose

3.1 Qualification objective

The objective of this qualification is:

- preparing learners to progress to a qualification in the same subject area but at a higher level or requiring more specific knowledge, skills and understanding
- meeting relevant programmes of learning
- preparing learners for employment
- giving learners personal growth and engagement in learning.

3.2 Who is this qualification for?

This qualification is aimed at 16 to 18 year old learners who are in full-time Level 3 education and who wish to progress to higher education and/or pursue a career in business and/or business-related subjects (eg management, finance, entrepreneurship). There are no formal entry requirements for this qualification, but, ideally, a learner will typically have four GCSEs at grade C or above including maths and English.

This qualification provides a broad understanding of business knowledge and skills to support progress to higher education and is suitable for learning alongside other Level 3 qualifications, ie A-levels and/or other Level 3 vocational qualifications (such as accounting, sociology, psychology, languages, leisure and tourism, health and social care, retail etc). This qualification can also prepare people to take up employment in business and entrepreneurship, either directly after achieving the qualification or via higher education at university or college.

Studying this qualification will enable learners to develop the fundamental knowledge and skills recognised as most important by higher education and employers. The qualification also offers learners an opportunity to develop transferrable skills, such as teamwork, research and communication as part of their applied learning.

3.3 What does this qualification cover?

All of the units in this qualification are mandatory. We have worked with stakeholders in the design of this qualification to ensure that it covers the fundamental business and entrepreneurial knowledge and skills associated with work within a business enterprise.

The qualification's synoptic focus at this level is on the four key themes of business education: people, markets, finance and operational delivery. Each of the qualification's units address aspects of these key themes to ensure that learning content is coherent and joined up.

The learner will undertake a programme of assessment designed to assess not only their knowledge and understanding of business, but also the way in which this knowledge and understanding can shape their practical skill in beginning to think and realise their own plans about business.

The qualification culminates in Unit 3 Entrepreneurial opportunities which synoptically draws together the four key themes of business education into a practical assessment of the learner's readiness for entrepreneurial activity and opportunity.

In the qualification, the learner will cover topics such as:

- the role of finance in planning an enterprise, analysing and making financial decisions
- how business organisations use the human, physical and financial resources at their disposal to achieve their dynamic goals
- the nature of enterprising behaviour and how this can be personally utilised to best exploit entrepreneurial opportunities within specific market conditions.

3.4   What could this qualification lead to?

This qualification supports entry to a range of business and enterprise associated higher education courses, such as management, finance, entrepreneurship, economics etc, when taken alongside other qualifications and is confirmed by the specific support of a number of universities. In addition, the qualification carries UCAS points ucas.com

3.5   Who supports this qualification?

This qualification has been developed in collaboration with higher education and other stakeholders in the business education sector. Because of this, the knowledge and skills gained will provide the best possible opportunity for progress into higher education or employment.

The following institutions and organisations have helped develop and formally support the AQA Level 3 Certificate in Applied Business:

Leeds Beckett University

University of Buckingham

University of Bath

University of Liverpool

Birmingham City University

Staffordshire University

University of Wales Trinity Saint David

University of Huddersfield

University of Wolverhampton

University of Surrey

Edge Hill University

Institute of Enterprise and Entrepreneurs (IOEE)

Young Enterprise

3.6   What are the benefits of this qualification?

To learners

The AQA Level 3 Certificate in Applied Business will give learners the opportunity to learn and understand the fundamental business and entrepreneurial knowledge and skills associated with working within a business enterprise.

The learner will understand the way in which any venture in business (big or small) is a function of the relationship between its people, its marketing, its finance and its ability to deliver operationally upon its commitments.

The learner will undertake a programme of assessment designed to assess not only their knowledge and understanding, but also the way in which this knowledge and understanding can shape their practical skill in beginning to think and realise their own plans about business. In this sense, the learner will be able to apply their learning immediately and most relevantly. For those learners who wish their learning to be practical and active, making use of their own business imagination, then the Certificate in Applied Business is a highly relevant qualification.

The qualification culminates in Unit 3 Entrepreneurial opportunities, which draws together the four key themes of business education (people, marketing, finance and operations) into a practical assessment of the learner's readiness for entrepreneurial activity and opportunity. This practical unit can be used as the seed for further study in the Extended Certificate (via the Business proposal unit) or as the basis for the learner's own initial business venture.

The learner will study the course as a part of a learning programme that will also include other subjects. The learner's choice of subjects (where business–related) will complement study of this qualification and help develop a range of skills and knowledge relevant to the business sector.

To higher education institutions

The development of the AQA Level 3 Certificate in Applied Business has been supported by a wide range of contributing higher education institutions (HEIs) (see Section 3.5), ensuring that the qualification is current, relevant and offers the best progression opportunities to higher education.

The qualification has a synoptic focus on the four key themes of business education: people, markets, finance and operational delivery. Each of the qualification's units addresses aspects of these key themes to ensure that learning is coherent and joined up.

The learner will undertake a programme of assessment designed to assess not only their knowledge and understanding, but also the way in which this knowledge and understanding can shape their practical skill in beginning to think and realise their own plans about business. In this sense, the learner will be able to apply their learning immediately and most relevantly. The qualification will benefit those learners who require a more practical and autonomous dimension to their study. In this regard, the qualification places an emphasis on active, student-centred learning, where self-reliance, research skills and personal judgment all play a key part in the assessment process. Of course, these are all skills and behaviours that prepare learners for the requirements of higher education.

The qualification culminates in Unit 3 Entrepreneurial opportunities, which synoptically draws together the four key themes of business education into a practical assessment of the learner's readiness for entrepreneurial activity and opportunity. Learners will develop through this unit their first experience of organising their skills and thoughts into the development of their first business idea. Whilst this will stop short of a full business proposal, this will comprise the seed of an idea to be taken further potentially in the Extended Certificate (via the Business proposal unit), or as an idea to be pursued through a business entrepreneurship unit in higher education, or as a business venture in its own right.

As this qualification also contains both examined and assignment-based assessment (both externally and internally assessed), this should mean that the learner is better prepared to make the adjustment to the learner-centred ethos of study at university.

4 Level 3 Certificate in Applied Business: Unit summary

This qualification is 180 guided learning hours and consists of three mandatory units.

	Unit title	Assessment type	Ofqual unit reference
1	Financial planning and analysis	External examination	R/507/6695
2	Business dynamics	Internally centre assessed	Y/507/6696
3	Entrepreneurial opportunities	External assignment	D/507/6697

Links with other qualifications

The following units:

R/507/6695   1   Financial planning and analysis

Y/507/6696   2   Business dynamics

D/507/6697   3   Entrepreneurial opportunities

also appear in:

AQA Level 3 Extended Certificate in Applied Business

5 Level 3 Extended Certificate in Applied Business: Statement of purpose

5.1 Qualification objective

The objective of this qualification is:

- preparing learners to progress to a qualification in the same subject area but at a higher level or requiring more specific knowledge, skills and understanding
- meeting relevant programmes of learning
- preparing learners for employment
- giving learners personal growth and engagement in learning.

5.2 Who is this qualification for?

This qualification is aimed at 16 to 18 year old learners who are in full-time Level 3 education and who wish to progress to higher education and/or pursue a career in business and/or business-related subjects (eg management, finance, entrepreneurship). There are no formal entry requirements for this qualification, but, ideally, a learner will typically have four GCSEs at grade C or above including maths and English. Learners should also have completed the AQA Level 3 Certificate in Applied Business before beginning this Extended Certificate.

This substantial vocational qualification provides a broader and deeper understanding of business knowledge and skills to support progress to higher education and is suitable for learning alongside other Level 3 qualifications, ie A-levels and/or other Level 3 vocational qualifications (such as accounting, sociology, psychology, languages, leisure and tourism, health and social care, retail etc). This qualification can also prepare people to take up employment in business and entrepreneurship, either directly after achieving the qualification or via higher education at university or college.

Studying this qualification will enable learners to develop the fundamental knowledge and skills recognised as most important by higher education and employers. The qualification also offers learners an opportunity to develop transferable skills, such as teamwork, research and communication, as part of their applied learning.

5.3   What does this qualification cover?

Five of the six units making up this qualification are mandatory. Learners must choose one optional unit from a range of three to complete the six units required for the qualification.

Three out of the six units making up this qualification comprise the AQA Level 3 Certificate in Applied Business.

We have worked with stakeholders in the design of this qualification to ensure that it covers both:

• fundamental business and entrepreneurial knowledge and skills associated with working within a business enterprise

• a broader range of business and entrepreneurial knowledge and skills designed to both complement and build on the units comprising the AQA Level 3 Certificate in Applied Business.

The qualification's synoptic focus remains on the four key themes of business education: people, markets, finance and operational delivery. Each of the qualification's units addresses aspects of these key themes to ensure that learning content is coherent and joined up.

However, in addition to this, the Extended Certificate offers the learner the opportunity to potentially build synoptically on their business idea developed in the Certificate qualification (through Unit 3 Entrepreneurial opportunities).

In having the Business proposal unit at the heart of the qualification, this offers learners opportunities for practical integration of assessment in relation to the learner's chosen optional unit. This promotes significant further and deeper synoptic learning opportunities and enhances the applied character of the qualification as the learner's business proposal is both tested by the practical requirements of the optional unit and reviewed/revised in light of the consequences of this testing.

Consequently, the learner will undertake a programme of assessment designed to assess not only their knowledge and understanding of business, but also of the way in which this knowledge and understanding can now play an active part in the detailed planning and delivery of a product or a service.

In the qualification, the learner will cover topics such as:

• the role of finance in planning an enterprise, analysing and making financial decisions

• how business organisations use the human, physical and financial resources at their disposal to achieve their dynamic goals

• the nature of enterprising behaviour and how this can be personally utilised to best exploit entrepreneurial opportunities within specific market conditions

• how managers organise, motivate and lead employees through change to achieve business objectives

• the skills and processes required to develop, present and evaluate a business proposal

• the skills and processes required to develop an e-business proposal for a new business

• the planning, coordination and management of a one-off event to support a business proposal

• the development of a marketing communications mix for a business proposal and a schedule of marketing communications.

5.4   What could this qualification lead to?

This qualification supports entry to a range of business and enterprise associated higher education courses, such as management, finance, entrepreneurship, economics etc when taken alongside other qualifications and is confirmed by the specific support of a number of universities. In addition, the qualification carries UCAS points ucas.com

5.5 Who supports this qualification?

This qualification has been developed in collaboration with higher education and other stakeholders in the business education sector. Because of this, the knowledge and skills gained will provide the best possible opportunity for progress into higher education or employment.

The following institutions and organisations have helped develop and formally support the AQA Level 3 Extended Certificate in Applied Business:

Leeds Beckett University

University of Buckingham

University of Bath

University of Liverpool

Birmingham City University

Staffordshire University

University of Wales Trinity Saint David

University of Huddersfield

University of Wolverhampton

University of Surrey

Edge Hill University

Institute of Enterprise and Entrepreneurs (IOEE)

Young Enterprise

5.6 What are the benefits of this qualification?

To learners

The AQA Level 3 Extended Certificate in Applied Business will give learners the opportunity to learn and understand a broad range of business and entrepreneurial knowledge and skills associated with working within a business enterprise.

The learner will understand the way in which any venture in business (big or small) is a function of the relationship between its people, its marketing, its finance and its ability to deliver operationally upon its commitments.

In the Certificate qualification, the learner will undertake a programme of assessment designed to assess not only their knowledge and understanding, but also the way in which this knowledge and understanding can shape their practical skill in beginning to think and realise their own plans about business. In this sense, the learner will be able to apply their learning immediately and most relevantly.

The Extended Certificate qualification offers the learner the opportunity to build on the knowledge and understanding gained in the Certificate qualification (eg Managing and developing people begins to address key areas in the management and leadership of business staff) and also potentially build on their business idea developed in the Certificate qualification. In having the Business proposal unit at the heart of the qualification, the learner can begin to realise a business idea more fully and in a practical way.

The link between the Business proposal unit and the learner's choice of optional units offers further opportunities to develop the realism of the exercise, and to undertake their learning experience in a fully integrated way. It's here that learners can derive the true practical value of the qualification and, finally, (if they wish) develop a business proposal that could be turned into a real business.

The learner will study the course as a part of a learning programme that will also include other subjects.

The learner's choice of subjects (where business–related) will complement study of this qualification and help develop a range of skills and knowledge relevant to the business sector.

To higher education institutions

The development of the AQA Level 3 Extended Certificate in Applied Business has been supported by a wide range of contributing higher education institutions (HEIs) (see Section 5.5), ensuring that the qualification is current, relevant and offers the best progression opportunities to higher education.

The qualification has a synoptic focus on the four key themes of business education: people, markets, finance and operational delivery. Each of the qualification's units addresses aspects of these key themes to ensure that learning is coherent and joined up.

In the Certificate qualification, the learner will undertake a programme of assessment designed to assess not only their knowledge and understanding, but also the way in which this knowledge and understanding can shape their practical skill in beginning to think and realise their own plans about business. In this sense, the learner will be able to apply their learning immediately and most relevantly.

The Extended Certificate offers the learner the opportunity to build on the knowledge and understanding gained in the Certificate qualification and also potentially build synoptically on their business idea developed in the Certificate qualification (through Unit 3 Entrepreneurial opportunities).

In having the Business proposal unit at the heart of the qualification, this offers learners opportunities for practical integration of assessment in relation to the learner's chosen optional unit. This promotes significant further and deeper synoptic learning opportunities as the learner is called upon to problem solve, manage their own time and resources and use their own personal judgment and reasoning to establish the credibility of their business proposal in relation to a much broader set of variables. This all enhances the applied character of the qualification as the learner's business proposal is both tested by the practical requirements of the optional unit and reviewed/revised in light of the consequences of this testing.

Consequently, the learner will undertake a programme of assessment designed to assess not only their knowledge and understanding of business, but also of the way in which this knowledge and understanding can now play an active part in the detailed planning and delivery of a product or a service.

The level of realism and integration means that there are further opportunities for providers to link delivery of the qualification to broader curriculum enrichment themes such as enterprise (eg Young Enterprise) and employer-based initiatives.

As this qualification contains both a significant amount of personal, integrated learning, as well as examined and assignment-based assessment (both externally and internally assessed), the learner should be better prepared to make the adjustment to the learner-centred ethos of study at university.

6 Level 3 Extended Certificate in Applied Business: Unit summary

This qualification is 360 guided learning hours and is made up of five mandatory units, plus one optional unit from a choice of three.

	Unit title	Assessment type	Ofqual unit reference
Mandatory			
1	Financial planning and analysis	External examination	R/507/6695
2	Business dynamics	Internally centre assessed	Y/507/6696
3	Entrepreneurial opportunities	External assignment	D/507/6697
4	Managing and leading people	External examination	H/507/6698
5	Developing a business proposal	Internally centre assessed	K/507/6699
Optional			
6	e-Business implementation	Internally centre assessed	R/507/6700
7	Managing an event	Internally centre assessed	Y/507/6701
8	Marketing communications	Internally centre assessed	D/507/6702

7 Synoptic delivery and assessment

The definition of synoptic assessment used by AQA is:

'A form of assessment which requires a learner to demonstrate that they can identify and use effectively, in an integrated way, an appropriate selection of skills, techniques, concepts, theories, and knowledge from across the whole qualification or unit, which are relevant to a key task'.

The design of this qualification allows learners to develop knowledge, understanding and skills from some units and then evidence this learning in the performance outcomes contained within other units.

The significant amount of synoptic content within the certificate and extended certificate supports synoptic learning and assessment by:

- showing teaching and learning links between the units across the specification
- giving guidance or amplification relating to the grading criteria for the internally assessed units, about where learners could apply the knowledge and understanding from other units
- providing a coherent learning programme of related units
- allowing holistic delivery and the application of prior or concurrent learning
- providing opportunities for the learning and assessment of multiple units combined together to promote holistic delivery.

Whilst we do not prescribe in which order the units should be delivered or assessed, it is important for centres to be aware of the logical links between the units so that the teaching, learning and assessment can be planned accordingly. This way, when being assessed, learners can apply their learning in ways which show they are able to make connections across the qualification. In relation to the Extended Certificate qualification, the link between the Business proposal unit and the optional unit means that these units should be taught concurrently[1].

Within each unit we provide references to where the unit content maps from or to other units within the qualification. This will help the tutor and learner understand where there are explicit opportunities for synoptic learning as well as synoptic assessment.

The Certificate and Extended Certificate qualifications have been built with a specific synoptic purpose in mind:

- The content of the qualifications' units is based upon the common themes of people, markets, finance and operational delivery.
- Undertaking Unit 3 Entrepreneurial opportunities marks the personal culmination of the learner's Certificate journey, being the practical convergence of their learning in Units 1 and 2.
- The learner has the opportunity to carry forward their entrepreneurial idea from the Certificate into the Extended Certificate and pursue this more fully through the Business proposal unit.
- The Business proposal unit's relationship with each of the optional units in the Extended Certificate offers learners a fully integrated and intensely practical approach to their business learning.

[1]Note: it is permissible to de-couple the Business proposal unit from the chosen optional unit. However, this should only occur in exceptional circumstances where conditions have not permitted their being delivered together and each of the unit performance criteria can still be appropriately satisfied. In this situation, the centre should explain the circumstances and the steps taken to their moderator upon submission of learner work.

8 Transferable skills

Transferable skills, sometimes known as soft skills, are highly valued by higher education and employers. AQA Applied General qualifications will provide opportunities to develop these skills through its Level 3 certificate and extended certificate qualifications. Whilst **not** a mandatory part of the qualification, subject units will clearly identify the opportunities available to develop transferable skills for:

- research
- teamwork
- problem-solving
- communication (oral and written).

AQA has created a set of standards and as well as teaching and learning resources for transferable skills which centres may wish use in developing these skills with learners
aqa.org.uk/tech-levels/transferable-skills

9   Guided learning hours

Guided learning hours (GLH) is defined (within the *Education and Skills Act 2008*) as the time a person spends:

- being taught or given instruction by a lecturer, tutor, supervisor or other appropriate provider of education or training, or
- otherwise participating in education and training under the immediate guidance or supervision of such a person.

It does not include time spent on unsupervised preparation or study, whether at home or otherwise.

The guided learner hours are specified within Section 2: Qualifications at a glance – overview.

10 Support materials and guidance

The following delivery resources and support materials are available from AQA:

- schemes of work for each unit
- sample lesson plan (LP) per unit
- sample assignment brief per unit
- sample assessment materials (sample question papers and mark schemes) for examined units
- sample external assignment brief for external assignment unit.

These are available from the Business Applied General pages of the AQA website: aqa.org.uk

Other relevant resources for teaching purposes can be found in each unit in the section entitled 'Useful links and resources'.

11 Qualification units

11.1 Unit 1: Financial planning and analysis

Title	Financial planning and analysis
Unit type	Mandatory
Unit assessment type	Externally assessed
Assessment method	1 hour 30 minutes examination
Guided learning hours	60
Transferable skill(s)*	• Research • Communication • Problem-solving *There are opportunities to develop the above transferable skills in the delivery of this unit.

Aim and purpose

In this unit, you will investigate how finance can help plan an enterprise, monitor its progress and analyse financial decisions.

Unit introduction

In this unit, you will explore the financial issues that enterprises need to consider. To do this, you will need to explore different ways in which enterprises can be owned and how they can be financed. You will need to understand the issues that enterprises face concerning cash-flow. You will calculate profit, break-even and cash-flow to monitor the enterprise. Finally, you will use this information, as well as from final accounts and market information, to make business decisions.

Assessment outcomes

Learners will be able to:

Assessment outcome 1:	Investigate why business enterprises plan their finances.
Assessment outcome 2:	Investigate the key elements of financial planning that managers and entrepreneurs must understand.
Assessment outcome 3:	Consider how managers and entrepreneurs monitor the financial performance of an enterprise.
Assessment outcome 4:	Assess information to enable stakeholders to make decisions about the financial performance of an enterprise.

Unit content

Assessment outcome 1: Investigate why business enterprises plan their finances	

Business planning	• Planning an enterprise:
	  • start-up
	  • running costs
	  • profit.
	• Planning to meet financial objectives:
	  • making a return for the owners of the enterprise
	  • setting profit targets
	  • ensuring sufficient cash resources
	  • long term financing.
	• Providing information to key stakeholders to enable them to make decisions about the viability of an enterprise or expansion:
	  • owners/shareholders
	  • potential funders
	  • suppliers.

Legal structures of business	• Financial implications of using different legal forms of business:
	  • sole traders
	  • partnerships and limited liability partnerships (LLP)
	  • private limited companies
	  • public limited liabilities
	  • community interest companies
	  • cooperatives.

Financing the enterprise	• Operating and expanding the enterprise:
	  • financing business start-up
	  • meeting running costs
	  • cash-flow
	  • internal sources of finance
	  • external sources of finance.

Assessment outcome 2: Investigate the key elements of financial planning that managers and entrepreneurs must understand	

Costs and revenue	• Total costs:
	  • fixed costs
	  • variable costs
	  • semi-variable costs.
	• Total revenue (price x quantity).
	• Distinction between revenue and capital expenditure.

Making a profit or surplus	• Profit/surplus calculations:
	  • profit/loss = total revenue – total cost
	  • surplus/deficit = income – expenditure.

Break-even	• Break-even:
	  • how break-even is calculated
	  • contribution
	  • uses of break-even.

Cash-flow	• Meaning of cash-flow:
	  • meeting day to day financial obligations
	  • timing of receipts and payments.
	• Differences between profit and cash.

Assessment outcome 3: Consider how managers and entrepreneurs monitor the financial performance of an enterprise	

Budgets	• Interpreting budgets:
	  • income and expenditure
	  • cash-flow
	  • what if analysis.
	• Value of variance analysis to evaluate success:
	  • calculating adverse and favourable variances
	  • interpreting variances for decision-making.

Using break-even	• Value and limitations of break-even analysis:
	  • setting targets
	  • what if analysis.
	• Contribution analysis.

Interpreting financial information	• Income statements (profit and loss accounts):
	  • gross profit
	  • operating profit.
	• Statements of financial position (balance sheet):
	  • assets
	  • liabilities
	  • working capital
	  • equity.

Assessment outcome 4: Assess information to enable stakeholders to make decisions about the financial performance of an enterprise	

Interpreting financial ratios	• Profitability:
	  • gross profit margin
	  • operating profit
	  • ROCE.
	• Solvency:
	  • current ratio
	  • acid-test ratio
	  • gearing.
	• Activity:
	  • inventory (stock) turnover
	  • trade receivables (debt) collection period
	  • trade payables (creditor) payment period
	  • asset turnover.
	• The strengths and limitations of financial information for decision-making.

Market information	• Published accounts of competitors. • Market trends. • Market and industry research.

Stakeholder perspectives	• Information needed to take decisions by:
	  • owners
	  • managers
	  • potential investors
	  • suppliers.

Assessment outcomes

Learners will be able to:

Assessment outcome 1: Investigate why business enterprises plan their finances	
a	Apply knowledge and understanding of business planning and analyse why this is important to an enterprise.
b	Apply knowledge and understanding of the different types of legal structures available to a business enterprise and analyse the advantages and disadvantages for different businesses and scenarios.
c	Apply knowledge and understanding of the different sources of finance available to an enterprise and analyse how they can be used to operate and expand an enterprise.

Assessment outcome 2: Investigate the key elements of financial planning that managers and entrepreneurs must understand:	
a	Apply knowledge and understanding of costs and revenue and analyse why the relationship between cost and revenue is important for managers and entrepreneurs.
b	Apply knowledge and understanding of how profit/surplus is calculated.
c	Apply knowledge and understanding of break-even.
d	Analyse the importance of cash-flow and profit to the survival of a business enterprise.

Assessment outcome 3: Consider how managers and entrepreneurs monitor the financial performance of an enterprise	
a	Apply knowledge and understanding of using budgets for an enterprise and analyse how budgets can monitor financial performance.
b	Analyse and evaluate the benefits of producing budgets to monitor an enterprise.
c	Analyse and evaluate the use of break-even analysis to monitor an enterprise.
d	Apply knowledge and understanding of income statements, statements of financial position.

Assessment outcome 4: Assess information to enable stakeholders to make decisions about the financial performance of an enterprise	
a	Apply knowledge and understanding of ratio analysis in order to analyse financial statements.
b	Analyse and evaluate financial and market information to inform future decisions of an enterprise.
c	Analyse and evaluate the value of financial and market information for different shareholder perspectives.

Assessment

This unit is assessed through an external examination set and marked by AQA. The examination takes place under controlled examination conditions and the date is published at the start of each academic year.

Learners are allowed to use a non-programmable scientific calculator in the examination.

The examination consists of a written paper with two sections, A and B. Learners are required to complete both sections and there will be no optional questions in either section.

The examination will last 1 hour 30 minutes and the total number of marks available in the examination is 60 marks.

Section A is worth 40 marks and consists of relatively short questions based on the whole of the specification for this unit. The learner is required to answer all of the questions in Section A.

Section B is worth 20 marks and focuses on a single, larger question. The question in Section B will not necessarily cover the whole of the specification for this unit in an assessment. The learner is required to answer this question.

AQA will ensure that the full content of the unit specification is covered equally over the life of the qualification.

Guided learning hours breakdown

	AO1	AO2	AO3	AO4	Total
Delivery time	11 hours	19 hours	18 hours	12 hours	60 hours

Delivery guidance

Topics within Financial planning and analysis are interdependent. For example, cash-flow forecasting is located in AO2 but is also part of planning (AO1) and monitoring (AO3) so it is difficult to deliver as either AO1 or by topic. This delivery issue is common to other topic areas, although, it does mean a holistic approach can be taken to considering business problems.

AO1: Investigate why business enterprises plan their finances

The need for business planning is an excellent way to introduce any finance-related study. Often finance is seen as something that has to be done rather than a powerful tool to allow a business enterprise to succeed. It is important that business planning be seen as providing useful information rather than just mere numbers. Mini case studies for business start-ups and *'Dragons' den'* 'pitches' are good ways to introduce the topic and also as an introduction to the Applied General in Business. This approach will be used throughout the course in other units, notably Business planning, where start-up costs will be part of developing a business proposal. The 'pitches' should be aimed at appropriate audiences that would include owners/shareholders and suppliers as well as potential funders.

Legal forms of ownership should be brought to life for the learners. The question that should be asked is 'with all the benefits of plc status why are all enterprises not in this form of ownership?' This could set up a number of investigative and engagement activities. Students could carry out high street mapping of business activities, categorising types of ownership and suggesting a rationale for these decisions. Students need to be encouraged to delve deeper into issues considering liability as being wider than just for debt, issues of flexibility and administrative considerations. Ideally, local entrepreneurs could be involved by visit or interview to get their perspective on ownership decisions and the wider issues. Third sector organisations should not be ignored here as they can provide insights for those students wishing to study the Business planning unit.

Financing the enterprise should consider the appropriateness of different methods of financing a business. It should consider where in the life of an enterprise that the finance is required, for example start up or expansion/diversification. The cost of borrowing both in finance costs and control are important, as is what sources of finance are open to different enterprises. The use of mini case studies will be an excellent way to explore this area.

AO2: Investigate the key elements of financial planning that managers and entrepreneurs must understand

Financial planning and analysis complements the Investigating business unit by focusing on the essential aspect of financing an enterprise. The approach needs to be investigative once the basic elements of financial planning have been established. The cost structures of different enterprises can be compared and this helps to give a feel for the mechanics of business in practice. Students can choose enterprises that they are interested in and make presentations of their cost structure, which will be useful preparation for the business planning unit in the future.

True understanding of cash and profit is crucial to understanding how businesses operate, so more than just definitions are needed. Students need to investigate real life examples and understand that timing is all important to business financing success. Before an enterprise can operate it needs resources that have a monetary value. These resources need to be financed and their cash outflows happen before cash-flows into the organisation. Technical profits can be made but because of start-up, running costs and receipts from customers, insurmountable cash-flow problems can occur without planning.

Break-even is often misunderstood by students, who think it tells what profit the business will make. It only acts as a guide. More interesting is the interplay of costs and different contributions that can help in decision-making. A firm foundation here will help students to understand the more complex value of break-even considered in Assessment outcome 3. Care should be taken not to get 'bogged down' with the graphical representations concentrating more on the break-even equation.

Throughout this section, students will need to look back to AO1 to give context as to why these tools are needed.

AO3: Consider how managers and entrepreneurs monitor the financial performance of an enterprise

AO2 was about planning. Some of the same topic areas are covered in AO3 but the focus has changed to monitoring. Budgets are a good vehicle for bridging the two. For example, students can be provided with data so that they can use a spreadsheet to produce a cash-flow statement. The data provided can be written to produce a negative cash-flow situation, which students can discuss. Students can then update their cash-flow to demonstrate the results of their discussions. More data can then be given to provide information on what actually happened and students then have to revisit their solutions. At this stage, variances can be introduced and students can add extra columns to their cash-flow spreadsheet for 'forecast', 'actual' and 'variance'.

Break-even should now be firmly based on the fixed cost/contribution formula, and students can consider 'special contract' decisions.

The work on profit and consideration of timing in AO2 will be used, as profit will be considered in the Income statement. This is a more complex view of profit and more an accounting definition. Teachers do not need to teach double entry bookkeeping or accounting concepts but it will be worthwhile considering when profit is realised and that this is not the same as payment. The terminology used should be Income statements and Statements of financial position rather than the Profit and loss and Balance sheet that have historically been used. This would apply to the contents of the statements using, for example, inventory rather than stock, as these are the terms that students will encounter if they continue their studies in finance. A thorough understanding of the purpose of these statements will be important for AO4.

AO4: Assess information to enable stakeholders to make decisions about the financial performance of an enterprise

Financial ratios can be a difficult area for students. It is important that they understand that the Income statement is about profits and the Statement of financial position informs more about the value of the business and its solvency. Students also need to understand why ratios are being used. A session showing how the comparisons that ratio analysis provides is more important than absolute figures, eg the profit that a business makes tells us nothing about profitability, but margins do.

Once definitions have been given and practice calculations made, although making calculations will not be required for the examination, the focus of this section should again be investigatory. Mini case studies should be used at first to consolidate the financial analysis, but this should move onto more complex case studies covering the whole of AO4. Case studies will be of real businesses in real markets with published information used. Students who can make effective presentations of these investigations, to different stakeholder audiences, will be well equipped for further units, particularly Marketing communications and for a career in business.

The concept of relevant stakeholders' perspectives should be considered, however this really is an important context throughout the unit.

Opportunities for synoptic teaching and learning

This section identifies for tutors and learners opportunities for developing links in teaching and learning with other units in the qualification.

The unit's broader links with the Extended Certificate qualification are listed in Appendix A.

Assessment outcome	Links to other Certificate units
AO1 Business planning to meet financial objectives	Business dynamics PO1: business markets, vision, aims and objectives.
AO1 Financial implications of using different legal forms of business	Business dynamics PO1: stakeholders and ownership.
AO1 Providing information to key stakeholders	Business dynamics PO1: stakeholders and ownership. Entrepreneurial opportunities PO2: in relation to significance of support network groups.
AO1 Financing the enterprise	Entrepreneurial opportunities PO2: in relation to significance of support network groups.
AO2 Making a profit	Business dynamics PO2: competitive advantage. Entrepreneurial opportunities PO3: costs and revenue in relation to product, price and potential revenue. Entrepreneurial opportunities PO3: costs and revenue in relation to potential operating costs. Entrepreneurial opportunities PO3: viable personal enterprise.
AO3 Consider how managers and entrepreneurs monitor the financial performance of a business	Business dynamics PO3: management policies to improve competitive position. Entrepreneurial opportunities PO2: in relation to significance of support network groups.
AO4 Assess information to make decisions about the financial performance of a business	Business dynamics PO4: business strengths and weaknesses. Business dynamics PO4: business potential. Entrepreneurial opportunities PO2: in relation to significance of support network groups.

Resources

- Internet enabled computers to research sector financial and market information.
- Spreadsheet template for modelling budgets and 'what if' analysis.

Useful links and publications

- Surridge, Chapman, Cornelius and Merrills, *Applied Business AS,* ISBN 0-00-720142, chapter 3, (Financial Planning and Monitoring)
- Chapman, Surridge, McGuire, Merrills and Buchanan, *Applied Business A2,* Collins, ISBN 0-00-720142-7, chapter 9 (Business Planning)
- Surridge and Gillespie, *Business for A-level Year 1 and AS,* Hodder Education, ISBN 978-1-471-83613-8, chapters 1, 16 to 19.

Assessment outcome 1

- businessballs.com/business-dictionary.htm
- tutor2u.net/revision_notes_accounting.asp
- businessballs.com/freebusinessplansandmarketingtemplates.htm
- beta.tutor2u.net/business/topics
- bbc.co.uk/education/guides/zmj7tfr/revision
- nibusinessinfo.co.uk/content/business-structures-1

Assessment outcome 2

- businessballs.com/finance.htm
- businessballs.com/business-dictionary.htm
- businessballs.com/freebusinessplansandmarketingtemplates.htm
- tutor2u.net/revision_notes_accounting.asp
- beta.tutor2u.net/business/topics
- bbc.co.uk/education/guides/zxq2hyc/revision/2
- bbc.co.uk/education/guides/z67mpv4/revision
- bbc.co.uk/education/guides/zt2xn39/revision
- nibusinessinfo.co.uk/content/business-budgeting

Assessment outcome 3

- businessballs.com/finance.htm
- businessballs.com/business-dictionary.htm
- businessballs.com/freebusinessplansandmarketingtemplates.htm
- tutor2u.net/revision_notes_accounting.asp
- beta.tutor2u.net/business/topics
- bized.co.uk/virtual/cb/factory/accounts/theories2.htm
- bized.co.uk/virtual/cb/factory/accounts/theories3.htm
- bbc.co.uk/education/guides/zxq2hyc/revision/2
- nibusinessinfo.co.uk/content/balance-sheets-basics
- nibusinessinfo.co.uk/content/business-budgeting

Assessment outcome 4

- businessballs.com/finance.htm
- businessballs.com/business-dictionary.htm
- businessballs.com/freebusinessplansandmarketingtemplates.htm
- tutor2u.net/revision_notes_accounting.asp
- beta.tutor2u.net/business/topics
- bized.co.uk/virtual/cb/factory/accounts/theories4.htm
- nibusinessinfo.co.uk/content/use-accounting-ratios-assess-business-performance

11.2 Unit 2: Business dynamics

Title	Business dynamics
Unit type	Mandatory
Unit assessment type	Internally assessed
Recommended assessment method	Practical assignment
Guided learning hours	60
Transferable skill(s)*	• Research • Communication *There are opportunities to develop the above transferable skills in the delivery and assessment of this unit.

Aim and purpose

In this unit, you will develop your understanding of business organisations and how they can use their human, physical and financial resources to achieve their goals.

Unit introduction

Human, physical and financial resources are essential for the success of business organisations. In this unit, you will investigate the factors contributing to the success of businesses, focussing on the role played by managers, supervisors and employees. You will consider how businesses organise themselves and you will develop your ability to analyse and evaluate the effectiveness of these organisational structures. You will investigate how businesses can gain a competitive advantage over other businesses, for example, through improving their operations, and the factors that determine the market share held by a business. You will then consider the role of management in improving the competitive position of businesses and how managers implement policies to improve the ways in which staff operates – individually and as part of the wider organisation. Finally, you will consider the potential for businesses to survive and grow by investigating the strengths, weaknesses, opportunities and threats of businesses.

Performance outcomes

Learners will be able to:

Performance outcome 1:	Understand business organisations.
Performance outcome 2:	Investigate business advantages.
Performance outcome 3:	Consider business dynamics.
Performance outcome 4:	Assess business potential.

Unit content

Performance outcome 1: Understand business organisations	
Business markets, vision and aims	• Meaning of business, to include profit and not-for-profit organisations. • Markets and market opportunities. • Purpose and use of vision statements and aims.

Stakeholders and ownership	• Stakeholders, to include internal groups and external groups, and their interests.
	• Business ownership and the factors determining choice of form:
	  • business vision and aims
	  • stakeholder involvement in decision-making
	  • markets and market opportunities
	  • risk and uncertainty.

Business organisation	• Meaning of business functional activities, to include marketing, finance, operations and human resources.
	• Organisational structure:
	  • tall vs flat
	  • centralised vs decentralised.
	• Organising functional activities, considering the following factors:
	  • organisational decision-making
	  • markets
	  • operations
	  • staffing levels, roles and skills.

Performance outcome 2: Investigate current business advantages	
Recruitment	• Recruitment planning. • Methods of recruitment, to include traditional and online. • Measuring the effectiveness of recruitment (eg time to fill vacancies, staff turnover and promotion).

Organisational types	• Mintzberg's organisational types:
	  • the entrepreneurial organisation
	  • the machine organisation (bureaucracy)
	  • the professional organisation
	  • the divisional (diversified) organisation
	  • the innovative organisation ('adhocracy').
	• The effectiveness of a business's organisational type, considering the extent to which it helps the business to:
	  • exploit market opportunities
	  • operate efficiently
	  • motivate staff to achieve its vision and aims.

Performance outcome 2: Investigate current business advantages

Competitive advantage	• Competitive advantage:
	• production costs, including role of operational efficiency
	• consumer benefits
	• unique selling proposition (USP).
	• Use of trademarks and patents to protect a competitive advantage.
	• The extent to which a business holds a competitive advantage.

Performance outcome 3: Consider business dynamics

Competitive position	• Market share (by sales revenue and volume) and competitive position.
	• Market maps.
	• Porter's competitive position analysis.
	• The extent to which a business has a favourable competitive position.
Management policies to improve competitive position	• Role of management in improving competitive position:
	• identifying need to improve
	• understanding how to improve
	• planning for improvement
	• providing leadership for improvement.
	• Management policies to improve the competitive position of a business by modifying aspects of:
	• marketing
	• operations
	• human resources.

Performance outcome 4: Assess business potential

Internal business strengths and weaknesses	• Strengths and weaknesses of a business's competitive position in relation to its:
	• customers
	• competitors
	• organisational type
	• operational and financial resources.
	• Identifying key strengths and weaknesses affecting business performance.
External business opportunities and threats	• Opportunities and threats identified through an analysis of:
	• relevant external environment forces, to include economic, technological, and social and ethical
	• key strengths and weaknesses.
	• Business potential based on a consideration of its opportunities and threats.

Grading criteria

Performance outcomes	Pass	Merit	Distinction
	To achieve a pass the learner must evidence that they can:	In addition to the pass criteria, to achieve a merit the learner must evidence that they can:	In addition to fulfilling the pass and merit criteria, to achieve a distinction the learner must evidence that they can:
PO1 **Understand business organisations**	**P1** (4 UMS points) Outline **two** market opportunities for a business and the benefits of using vision statements and aims.		
	P2 (4 UMS points) Describe the form of ownership and the interests of **four** stakeholder groups of a business.	**M1** (4 UMS points) Explain how **two** factors have determined the form of ownership of the business.	
	P3 (4 UMS points) Outline the organisation of functional activities of a business.	**M2** (4 UMS points) Explain how **two** factors have affected the organisation of the business's functional activities.	
PO2 **Investigate business advantages**	**P4** (4 UMS points) Outline the methods of recruitment used by a business for **one** managerial and **one** supervisory position.	**M3** (4 UMS points) Analyse the effectiveness of the business's recruitment.	
	P5 (4 UMS points) Describe the organisational type of a business.	**M4** (4 UMS points) Explain how the business's organisational type could have helped it to exploit market opportunities, operate efficiently and motivate staff.	**D1** (4 UMS points) Evaluate the suitability of the business's organisational type.
	P6 (4 UMS points) Outline **three** ways in which a business could hold a competitive advantage.	**M5** (4 UMS points) Analyse the factors affecting the ability of the business to hold a competitive advantage.	**D2** (4 UMS points) Evaluate the extent to which the business holds a competitive advantage.

Performance outcomes	Pass	Merit	Distinction
	To achieve a pass the learner must evidence that they can:	**In addition to the pass criteria, to achieve a merit the learner must evidence that they can:**	**In addition to fulfilling the pass and merit criteria, to achieve a distinction the learner must evidence that they can:**
PO3 Consider business dynamics	**P7** (4 UMS points) Outline the competitive position of a business.	**M6** (4 UMS points) Analyse the factors affecting the competitive position of the business.	**D3** (4 UMS points) Evaluate the extent to which the business has a favourable competitive position.
	P8 (4 UMS points) Outline **two** management policies intended to improve the competitive position of a business.	**M7** (4 UMS points) Explain how the policies could have improved the business's competitive position.	**D4** (4 UMS points) Evaluate the extent to which the policies improved the competitive position of the business.
PO4 Assess business potential	**P9** (4 UMS points) Describe **two** strengths and **two** weaknesses of a business.	**M8** (4 UMS points) Explain how the strengths and weaknesses affect the performance of the business.	**D5** (4 UMS points) Evaluate the significance of the strengths and weaknesses for the performance of the business.
	P10 (4 UMS points) Collect and collate **four** distinct sets of data relevant to the external environment forces of a business.	**M9** (4 UMS points) Analyse the data to identify possible opportunities and threats facing the business.	**D6** (4 UMS points) Evaluate the business's potential considering its opportunities and threats.
Total UMS for each grade	40	60	80

Assessment amplification

A **single** business should be used as the context for **all** performance criteria. The business must be of sufficient size to include managers, supervisors and operatives. The business investigated can be a profit or not-for-profit enterprise. Learners do **not** have to have direct contact with the business, eg research can be entirely internet-based using sources from the business and news agencies/communities.

In **P2**, learners must describe at least **one** internal and **one** external stakeholder group within the four required stakeholder groups.

In **P10**, learners must, within the **four** distinct data sets, address at least **two** of the three external environment forces.

Guided learning hours breakdown

	PO1	PO2	PO3	PO4	Total
Delivery time	9 hours	15 hours	12 hours	9 hours	45 hours
Assessment time	3 hours	5 hours	4 hours	3 hours	15 hours
Total	12 hours	20 hours	16 hours	12 hours	60 hours

Delivery guidance

PO1 Understand business organisation

This performance outcome should be seen as an introduction to business. No prior exposure to business education is assumed. Links to the Financial planning and analysis unit should be made in relation to aims, stakeholders and forms of ownership. However, the focus in this unit is on the ways in which businesses, profit and not-for-profit, exploit market opportunities and handle competition. PO2 and PO3 develop these themes in greater detail. In PO1, tutors should assist learners in developing their understanding of business organisation through a focus on the meaning of market opportunities, functional areas and organisational structure. Tutors could provide three or four case studies illustrating the evolution of different businesses. These case studies would contrast how the ownership and organisational structure of each business developed. The primary importance of people in business should be stressed, with a particular focus on how businesses organise their functional activities across locations. All of the PO1 performance criteria could be completed as a concise report on the business being investigated. The completed report would provide a background context for tackling the PO2, PO3 and PO4 assessment criteria.

PO2 Investigate business advantages

This performance outcome targets the nature, extent and significance of advantages held by businesses. A large part of its focus is on the importance of people in business. Learners should develop their understanding and awareness of the role played by managers, supervisors and operatives in establishing a healthy and effective organisation. Initially, learners should restrict their attention to the ways in which businesses recruit personnel. The use of online tools in recruitment is now firmly established and becoming the primary way in which businesses attract potential employees. Whilst tutors should cover both traditional and online methods, the focus should be on how effective these methods are in attracting the 'right' people. The meaning of 'right' should be discussed with learners and the idea of 'best fit' could be considered. Measurements, such as staff turnover and promotion, could then be considered and P4 and M3 addressed using relevant qualitative and quantitative data available to learners.

Tutors should take time to introduce Mintzberg's framework for analysing organisational types. Two or three contrasting case studies should be used to focus on three different organisational types. They should collectively illustrate how different business organisations evolve to have their particular 'shape'. Learners should be given time to carry out their own investigations into different business's organisational types. The contexts for these investigations should be provided by the tutor. Learners, working in small groups, should begin to develop their ability to understand the suitability of each organisational type – linking this back to the idea of markets and market opportunities, but also to the idea of getting the most out the staff employed by a business. At this stage, P5, M4 and D1 could be addressed through, for example, a 'health check' on the business's organisational structure, ie to what extent it is flexible enough to exploit market opportunities and has motivated staff capable of doing this.

Finally, tutors should introduce the marketing concept of competitive advantage. This should not be covered in isolation from the previous coverage of 'healthy organisations' – no competitive advantage can be established without the 'right' people, in functional structures, developing and implementing it. This can be illustrated through a consideration of production costs and consumer benefits/USP, ie a

cost advantage requires an effective organisational structure, as does the ability to create and deliver a winning USP that could be protected through the use of trademarks and patents. Links to the Financial planning and analysis unit should be made in relation to AO2, eg the costs and revenue section of this AO. Two or three case studies should be sufficient to illustrate the concept and sources of competitive advantage. Learners should then be given time to focus on the competitive advantage held, or not held, by their own business and tackle criteria P6, M5 and D2. This could be completed as an annotated mind map with a concise evaluative commentary.

PO3 Consider business dynamics

This performance outcome is intended to introduce learners to the dynamic business environment, ie to develop their understanding and awareness of the fluid nature of competition. Learners' focus will be on the competitive position held by businesses within an industry. The factors determining this cut across functional activities and require an understanding of the business organisation as a whole. The concepts covered in PO1 and PO2 are essential and tutors should review these prior to delivering PO3.

Initial definitions of market share and competitive position could then be illustrated through three industry examples. Market maps could be used to illustrate the structure of these industries and the choice of axes values discussed. One of these examples could then be used to illustrate the purpose and use of Porter's competitive position analysis. Tutors could then provide additional information on the remaining two industry examples and learners, working in small groups, could develop their ability to use Porter's framework. At this stage, learners could tackle criteria P7, M6 and D3. For example, as in P6 to D2, they could complete an annotated mind map with a concise evaluative commentary.

The final section of PO3 focusses on the importance of management within the dynamic business environment. It should be relatively easy for tutors to identify three or four illustrative case studies of how managers have successfully, and sometimes less successfully, implemented policies to improve the competitive position of their businesses. Tutors could illustrate the role of management, and the reality of implementing policies, using two of these case studies. Learners could then focus on the remaining two case studies, ie working in small groups to develop their understanding. Learners could then tackle P8, M7 and D4 as a concise report (with supporting documentary evidence) on the extent to which a manager, within their business, successfully implemented policies to improve the competitive position of the business.

PO4 Assess business potential

Having considered the advantages held by businesses and the ways in which they strive to improve their competitive position, PO4 considers the potential of businesses to survive and develop. Tutors should introduce the SWOT framework, using a number of examples, stressing the internal/external split and the way in which internal strengths/weaknesses focus on current capabilities, whilst external opportunities/threats focus on future possibilities. Learners should be given a number of SWOT practice exercises to establish an understanding of how and why SWOT analysis is used.

Much of the required information to carry out a SWOT analysis for their own businesses should already have been gathered during the previous POs. However, prior to completing this PO's performance criteria, as a SWOT analysis with associated commentary for example, learners will need to collect and interpret relevant external environment data. Whilst at least two of the three external environment forces should be addressed, tutors should help learners to appreciate that relevant forces are just as important. For example, a learner might use two articles on technological developments relevant to her business's industry, one set of economic data and one article on trends in buyer behaviour. In respect of economic data, tutors will probably need to run workshop sessions on their interpretation. In general, tutors will also need to outline the ways in which economic trends can impact on businesses but this should be restricted to key variables such as employment and incomes.

Opportunities for synoptic teaching and learning

This section identifies for tutors and learners opportunities for developing links in teaching and learning with other units in the qualification.

The unit's broader links with the Extended Certificate qualification are listed in Appendix A.

Performance outcome	Links to other Certificate units
PO1 Business markets, vision and aims	Financial planning and analysis AO1: developing a business proposal (planning to meet objectives). Entrepreneurial opportunities PO1: in relation to meaning of business and market opportunities.
PO1 Stakeholders and ownership	Financial planning and analysis AO1: developing a business proposal (providing information to key stakeholders), legal forms of business in respect of forms of ownership. Entrepreneurial opportunities PO1: in relation to risk and uncertainty. Entrepreneurial opportunities PO2: in relation to external stakeholders and decision-making through a consideration of support networks.
PO1 Business organisation	Financial planning and analysis AO1: all aspects in relation to the purpose of the financial functional area.
PO2 Recruitment	Entrepreneurial opportunities PO1: Myers-Briggs personality types and skills in relation to recruitment planning.
PO2 Organisational types	Entrepreneurial opportunities PO1: Myers-Briggs personality types and skills in relation to organisational types and their effectiveness.
PO2 Competitive advantage	Financial planning and analysis AO2: making a profit or surplus (all) and costs and break-even (all) in respect of impact of costs. Entrepreneurial opportunities PO2: selecting a customer value proposition for a personal enterprise in relation to competitive advantage.
PO3 Competitive position	None – new knowledge.
PO3 Management policies to improve competitive position	None – new knowledge.
PO4 Internal business strengths and weaknesses	Financial planning and analysis AO3 and AO4: all aspects in relation to the internal strengths/weaknesses – operational and financial resources. Entrepreneurial opportunities PO3 and PO4: all aspects in relation to internal strengths/weaknesses – customers, competitors and organisational resources.
PO4 External business opportunities and threats	Financial planning and analysis AO4: market information in relation to business potential.

Resources

Internet enabled computer to research current:

- business visions, aims and objectives
- markets and market opportunities
- methods of recruitment and their effectiveness
- organisational structures
- competition and competitive rivalry within markets
- role of managers in improving competitive position
- management policies to improve competitive position
- technological, economic, social and ethical external environment forces.

Useful links and publications

Surridge, Chapman, Merrills and Cornelius, *Applied Business,* Collins, ISBN 0-00-720140-0, chapter 1 (Investigating Business) and relevant materials from chapter 4 (Meeting Customer Needs).

PO1 Understand business organisations

- topnonprofits.com/examples/vision-statements/
- businessnewsdaily.com/3882-vision-statement.html
- forbes.com/sites/billconerly/2015/04/14/business-uncertainty-and-the-high-altitude-view-of-the-external-environment/
- businesscasestudies.co.uk/primark/engaging-with-stakeholders/introduction.html
- gov.uk/government/publications/legal-forms-for-business-a-guide
- knowhownonprofit.org/organisation/orgdev/structure-and-culture/structure
- bized.co.uk/learn/business/strategy/busact/index.htm

PO2 Investigate business advantages

- businesscasestudies.co.uk/tesco/recruitment-and-selection/workforce-planning.html
- xperthr.co.uk/blogs/employment-intelligence/2012/07/the-most-effective-recruitment/
- xperthr.co.uk/topics/recruitment-and-retention/
- mindtools.com/pages/article/newSTR_54.htm
- startupdonut.co.uk/blog/2010/02/usps-piece-cake%E2%80%A6
- marketingdonut.co.uk/marketing/marketing-strategy/branding/developing-your-usp-a-step-by-step-guide
- convinceandconvert.com/digital-marketing/5-ways-to-develop-a-unique-selling-proposition/
- cim.co.uk/files/usp.pdf

PO3 Consider business dynamics

- slideshare.net/tutor2u/market-mapping
- businessballs.com/portersfiveforcesofcompetition.htm
- mindtools.com/pages/article/newTMC_08.htm
- bdc.ca/EN/articles-tools/operations/purchasing/Pages/global-supply-chains-improve-competitiveness.aspx
- businesscasestudies.co.uk/portakabin/the-importance-of-quality-in-creating-competitive-advantage/conclusion.html
- marketingdonut.co.uk/marketing/marketing-strategy/ten-ways-to-keep-ahead-of-the-competition
- smallbusiness.chron.com/ways-hr-planning-can-enhance-firms-competitive-advantage-60313.html

PO4 Assess business potential

- businessballs.com/swotanalysisfreetemplate.htm
- econsultancy.com/blog/
- pwc.co.uk/the-economy/publications/uk-economic-outlook/
- ons.gov.uk/ons/taxonomy/index.html?nscl=Economy
- theguardian.com/society/social-trends
- iabuk.net/blog/top-social-trends-for-2015-0
- ons.gov.uk/ons/rel/social-trends-rd/social-trends/index.html
- ipsos-mori.com/researchspecialisms/socialresearch.aspx
- marketingmagazine.co.uk/consumer_insight
- bbc.com/news/10613201

11.3 Unit 3: Entrepreneurial opportunities

Title	Entrepreneurial opportunities
Unit type	Mandatory
Unit assessment type	Externally assessed
Assessment method	Externally assessed assignment
Guided learning hours	60
Transferable skill(s)*	• Research • Communication • Problem-solving *There are opportunities to develop the above transferable skills in the delivery of this unit.

Aim and purpose

In this unit, you will develop your understanding of entrepreneurial opportunities and investigate how individuals can exploit these through personal enterprise, eg by offering a service. You will consider opportunities for your own personal enterprise, for a given context, and propose marketing and operations activities to take advantage of the entrepreneurial opportunity.

Unit introduction

Enterprising behaviour is essential to the success of any business. You will consider how your own skills and personality type affect the ways in which you might exploit an entrepreneurial opportunity. You will also investigate the factors affecting the success of enterprise, considering the importance of the customer value proposition, target market preferences and networking with key support groups (such as family and business people). You will then consider the options available to you for enterprise. You will investigate marketing activities to meet the needs of your target market. The method of operating the enterprise is also a key consideration and you will investigate ways of running it. Finally, you will consider the risks and uncertainties that might impact on its potential success and how these could be reduced.

Performance outcomes

Learners will be able to:

Performance outcome 1:	Understand enterprising behaviour.
Performance outcome 2:	Investigate customer value propositions for personal enterprise.
Performance outcome 3:	Consider marketing and operations activities for personal enterprise.
Performance outcome 4:	Review the risks and uncertainties of personal enterprise.

Unit content

Performance outcome 1: Understand enterprising behaviour	
Enterprising behaviour	• Meaning of enterprising behaviour. • The ways in which enterprising behaviour can be demonstrated. • Exploiting relevant market opportunities through enterprising behaviour.
Innovation, risk and uncertainty	• Meaning of innovation, risk and uncertainty. • Significance of innovation, risk and uncertainty to the benefits gained from enterprising behaviour.

Myers-Briggs personality types and enterprising behaviour	• Myers-Briggs preferences:
	  • extraversion vs introversion
	  • sensing vs intuition
	  • thinking vs feeling
	  • judging vs perceiving.
	• Myers-Briggs personality types and characteristics.
	• Own skills levels:
	  • communication
	  • research
	  • teamworking.
	• How Myers-Briggs personality type and own skills affect the ways in which individuals engage in enterprising behaviour.

Performance outcome 2: Investigate customer value propositions for personal enterprise	

Potential target markets	• Socio-economic characteristics.
	• Key features of target markets:
	  • benefits looked for from products
	  • willingness to pay
	  • preferred channels of distribution.

Support network	• Support network groups:
	  • family and social groups
	  • businesses
	  • government and non-governmental organisations (NGOs).
	• Benefits provided by support network groups:
	  • financial support
	  • business knowledge, skills and experience
	  • access to suppliers and customers.

Selecting a customer value proposition for a personal enterprise	• Meaning and significance of customer value proposition.
	• Identifying alternative customer value propositions.
	• Selecting a customer value proposition for the enterprise, considering:
	  • innovation, including the use of technology
	  • potential target markets
	  • competition
	  • benefits provided by support network groups.

Performance outcome 3: Consider marketing and operations activities for personal enterprise	

Marketing activities	• Activities:
	  • price and product
	  • promotion and place.
	• Deciding on marketing activities considering the customer value proposition and:
	  • own skills and personality type
	  • target market key features
	  • competition
	  • potential revenue.

Operations activities	• Activities:
	  • acquiring and handling inputs
	  • processing inputs to deliver outputs.
	• Deciding on operations activities considering the customer value proposition and:
	  • own skills and personality type
	  • potential costs (start-up and operating)
	  • support networks.

Viable personal enterprise	• Potential estimated profit (surplus), considering:
	  • marketing activities (potential revenue)
	  • operations activities (potential costs).

Performance outcome 4: Review the risks and uncertainties of personal enterprise	

Risks and uncertainties	• Risks and uncertainties of the personal enterprise, related to:
	  • marketing
	  • operations
	  • finance.
	• Identifying key risks and uncertainties.

Contingencies	• Identifying contingencies. • The importance of support network groups for the effectiveness of the contingencies.

Grading criteria

Performance outcomes	Pass	Merit	Distinction
	To achieve a pass the learner must evidence that they can:	In addition to the pass criteria, to achieve a merit the learner must evidence that they can:	In addition to fulfilling the pass and merit criteria, to achieve a distinction the learner must evidence that they can:
PO1 **Understand enterprising behaviour**	**P1** (4 UMS points) Outline examples of enterprising behaviour and market opportunities.		
	P2 (4 UMS points) Outline examples of innovation, risk and uncertainty for personal enterprise.	**M1** (4 UMS points) Explain how innovation, risk and uncertainty can affect the benefits gained from personal enterprise.	
	P3 (4 UMS points) Outline own personality type and skills relevant to engaging in enterprising behaviour.	**M2** (4 UMS points) Explain how own personality type and skills affect the ways in which you might engage in enterprising behaviour.	**D1** (4 UMS points) Judge the significance of own personality type and skills on the ways in which you will engage in enterprising behaviour.
PO2 **Investigate the customer value propositions for personal enterprise**	**P4** (4 UMS points) Outline the socio-economic characteristics of the personal enterprise's potential target markets.	**M3** (4 UMS points) Explain key features of the personal enterprise's potential target markets.	
	P5 (4 UMS points) Outline the support network groups relevant to the personal enterprise.	**M4** (4 UMS points) Explain how the support network groups can benefit the personal enterprise.	
	P6 (4 UMS points) Outline possible customer value propositions for the personal enterprise.	**M5** (4 UMS points) Explain the benefits of each customer value proposition for the personal enterprise.	**D2** (4 UMS points) Justify the most appropriate customer value proposition for the personal enterprise.

Performance outcomes	Pass	Merit	Distinction
	To achieve a pass the learner must evidence that they can:	**In addition to the pass criteria, to achieve a merit the learner must evidence that they can:**	**In addition to fulfilling the pass and merit criteria, to achieve a distinction the learner must evidence that they can:**
PO3 **Consider marketing and operations activities for personal enterprise**	**P7** (4 UMS points) Outline the marketing activities of the personal enterprise.	**M6** (4 UMS points) Explain how individual marketing activities implement the customer value proposition.	**D3** (4 UMS points) Justify how the marketing activities collectively support a viable personal enterprise.
	P8 (4 UMS points) Outline the operations activities of the personal enterprise.	**M7** (4 UMS points) Explain how individual operations activities implement the customer value proposition.	**D4** (4 UMS points) Justify how the operations activities collectively support a viable personal enterprise.
PO4 **Review the risks and uncertainties of personal enterprise**	**P9** (4 UMS points) Outline the risks and uncertainties of the personal enterprise.	**M8** (4 UMS points) Explain the potential impact of the risks and uncertainties on the personal enterprise.	**D5** (4 UMS points) Judge the key risks and uncertainties facing the personal enterprise.
	P10 (4 UMS points) Outline contingencies for the risks and uncertainties of the personal enterprise.	**M9** (4 UMS points) Explain how support networks groups might help to implement the contingencies.	**D6** (4 UMS points) Judge the importance of different support network groups for the effectiveness of the contingencies.
Total UMS for each grade	40	60	80

Assessment

This unit will be assessed through an external assignment (ie AQA set and marked assignment). The assignment will take place under strictly controlled conditions (see Section 13) and the arrangements for availability of assignments and assessment windows will be published at the start of each academic year.

The external assignment will consist of an entrepreneurial investigation culminating in a portfolio of responses which learners will complete in approximately 15 hours. Learners will undertake the task in two distinct phases: firstly, 'preparation time', where learners conduct their research for the task, and, secondly, 'completion time', where learners write their responses in strictly controlled conditions.

Learners' responses will be assessed by AQA assessors using the performance criteria above. All performance criteria must be demonstrated in the context provided by the externally assessed assignment (see Section 13 for further details of how the assignment is delivered). Additional guidance, in relation to the performance criteria, will be provided by the externally assessed assignment in order to constrain the range of evidence collected by learners. For example, the number of alternative customer value propositions considered in P6, M5 and D2.

Guided learning hours breakdown

	PO1	PO2	PO3	PO4	Total
Delivery time	9 hours	15 hours	12 hours	9 hours	45 hours
Assessment time	3 hours	5 hours	4 hours	3 hours	15 hours
Total	12 hours	20 hours	16 hours	12 hours	60 hours

Delivery guidance

The following guidance relates to delivering the knowledge content of the unit and the ways in which learners might prepare themselves for the externally assessed assignment. The externally assessed assignment will identify the evidence that they must produce in order to complete the assignment. This evidence must be completed at the **end** of the time allocated to this unit, and in accordance with the rules identified in the *Guidance notes for tutors* for the externally assessed assignment.

However, centres should allow learners to carry out research for the externally assessed assignment throughout the duration of the unit, ie prior to completing the evidence required by the externally assessed assignment at the **end** of the unit. The externally assessed assignment will detail the range and nature of the research required and the rules surrounding how research should be conducted are contained in the *Guidance notes for tutors*. This research is not required by AQA for assessment purposes and should **not** be submitted. However, it will help learners to complete the evidence to be submitted, eg when explaining their customer value propositions in M5.

PO1 Understand enterprising behaviour

This performance outcome requires learners to consider the meaning of enterprising behaviour and how they might relate to it. Having addressed business vision statements and market opportunities in the Business dynamics unit, learners could now consider what is meant by enterprising behaviour and the ways in which it can exploit market opportunities. Tutors could provide learners with succinct examples of enterprising behaviour by individuals (irrespective of nationality or particular market locations). These examples should cover a range of sectors and include both goods and services as well as profit and not-for-profit activities. Learners, working in small groups, could then research the market opportunities that were exploited and how enterprising behaviour achieved this. At this stage, tutors should avoid depth of coverage and favour breadth so that learners can see the possibility of their own enterprising behaviour, ie that learners begin to think about themselves and their own attitudes, characteristics and skills.

Moving on from this, tutors should introduce the concepts of innovation, risk and uncertainty. It is particularly important for tutors to present innovation as ways in which people identify new possibilities for existing 'things' – these things can be ideas, processes or existing products. Learners should carry out their own internet research to identify a range of innovations involving these aspects and linked to markets/activities they are familiar with. After developing a folder of innovations, tutors should then present learners with contexts slightly removed from their own experiences (both national and international). Learners, working in small groups, could then discuss the business and consumer needs that were met by these innovations. The concepts of risk and uncertainty could then be defined and related back to innovation, ie that implementing innovative solutions for business and consumer needs inevitably involves a degree of risk and, in many situations, uncertainty. The rewards for 'leaping' can then be considered – and not just in terms of financial rewards, eg in terms of social objectives such as a greater understanding gained by communities. In this respect, learners will hopefully begin to see enterprising behaviour as more than the lone individual making personal profit and begin to consider social profit (surplus) whilst, at the same time, appreciate the importance of viability. Links to the Business dynamics unit (PO1 – stakeholders and ownership in relation to risk and uncertainty) should be made in order to underline this point.

At this stage, learners should formalise their 'understanding of themselves' and consider this in relation to how it could affect the ways in which they engage in enterprising behaviour. **Tutors should stress the wide ranging characteristics and personalities of successful entrepreneurs, ie that it genuinely takes all sorts.** After considering the Myers-Briggs framework – which should be seen as far more than a tool used by human resources managers – learners should profile their own personality types and consider their skills levels in respect of communication, research and teamworking. Other skills can be considered if time allows and evidence is accessible, eg problem-solving, numeracy etc. However, the skills of communication, research and teamworking should be addressed before any additional skills are considered (if any).

At this stage, the context provided by the externally assessed assignment (set by AQA) could be introduced and, within part of the time available for the assessment, learners could research the assessment requirements for PO1.

PO2 Investigate customer value propositions for personal enterprise

Tutors should outline the purpose and content of this PO and, in particular, introduce the meaning of a customer value proposition. Links to the Business dynamics unit should be explicitly made in respect of competitive advantage and business potential covered within that unit. Learners could consider the value proposition of familiar products and move on to less familiar products in order to introduce the meaning and significance of target markets. The idea of considering a group of consumers as a coherent target market could then be developed by tutors, ie by considering socio-economic characteristics and also considering shared attitudes towards expected benefits, price and/or distribution channels. Learners, working in small groups, could then investigate a market of their choice and report back on the different target markets within it (commenting on the factors creating these differences).

At this stage, individual learners could **begin** to consider their response to the externally assessed assignment in respect of their own potential target markets. However, tutors should stress the importance of the 'other side' of enterprising behaviour, ie being able to **deliver** product benefits to target markets. The concept of support network groups should now be introduced and seen by learners as the foundation upon which they will base their enterprising behaviour. Tutors could provide learners with factsheet materials in relation to government and NGO support. In addition, tutors will need to support learners in gaining an appreciation of just how important the business support network group is. If possible, a workshop session involving local businesses would prove useful here. Links to both the Business dynamics and Financial planning and analysis units should be made to underline the importance of the business support network, but also could be made in relation to financial/practical support offered by family and social group networks.

Links to the Business dynamics unit will also prove useful when considering 'selecting a customer value proposition for a personal enterprise'. Learners should gain an appreciation of the central importance of the customer value proposition in developing successful enterprises. The concepts of competitive advantage and competitive position, covered by the Business dynamics unit, could be reviewed and the importance of the customer value proposition illustrated through cases previously addressed when delivering that unit. Learners should also be reminded of innovation, covered in PO1, and the 'lateral thinking' aspects of identifying customer value propositions considered. Tutors could provide a game/role play where learners, working in small groups, are provided with relevant information about a market (covering aspects of the sub-bullet points under 'selecting a customer value proposition for the enterprise'). They would then be provided with three or four alternative customer value propositions and asked to present a case for **one** of these propositions.

After reviewing the content and linkages in PO2, the tutor could then allow individual learners to carry out the externally assessed assignment research requirements for this performance outcome. Each assignment will provide its own market contexts and key information. Learners will be expected to individually reflect on this data and carry out some additional research (whose general nature would be indicated by the assignment).

PO3 Consider marketing and operations activities for personal enterprise

Having explored the 'bookends' of their personal enterprise (target markets/support network) and the essential story (customer value proposition), learners now need to consider how the personal enterprise might be put into action. Links to both the Business dynamics and Financial planning and analysis units should be made and key concepts reviewed (eg costs, revenues, profits and factors affecting these).

Tutors could address the concepts contained within the Marketing activities and Operations activities in a variety of ways and sequences, ie all roads lead to 'Viable personal enterprise'. How this is done will be a combination of tutor and learner preference, but one approach could be through a series of workshops focussing on how each of the 'variables' (eg price/product and processing inputs to outputs) are determined by the customer value proposition but **also** impact on potential estimated profit (surplus). What is crucial, however, is that tutors avoid the temptation of getting learners to develop a business plan. Tutors **must not** overburden learners with concepts from the Extended Certificate Business proposal unit. The sole intention of PO3 is an initial consideration of the marketing and operations activities required by personal enterprise and the content listed is entirely sufficient. To stress this point, it is only expected that learners **estimate**, in broad terms, the **potential** profit of a personal enterprise.

Once the ideas of marketing and operations activities for personal enterprise are understood by learners, and the link between these and potential profit (surplus) confirmed, learners will be in a position to carry out research for the PO3 aspects of the externally assessed assignment. Some additional **research** will be required and, as in PO2, the assignment will contain relevant information (eg on cost estimates and possible operational activities). The key focus here will be the relationship between marketing/operations activities, customer value proposition and evidence already presented in PO1 and PO2 (eg own skills and personality type). It is an opportunity for individual learners to reflect on how **he/she** might make the enterprise happen.

PO4 Review the risks and uncertainties of personal enterprise

As a conclusion to this unit, PO4 focusses on the importance of thinking about the many and varied ways in which a seemingly good plan can fall apart. Given the nature of uncertainty, learners should appreciate that all eventualities can't be planned for. However, personal resources and support networks can mitigate damages.

Tutors could provide two or three example personal enterprise plans (which should contrast with anything tackled by learners to date) and illustrate the various 'things' that can (and do) go wrong. Marketing, operations and finance aspects should be covered equally. The tutor could then provide alternative contingencies for each eventuality and learners could, working in small groups, rank their effectiveness. In ranking these, learners should be provided with support network group information and be required to explain how this helped them to rank the possible contingencies.

At this stage, learners should have carried out all necessary research and developed an understanding of the concepts covered by the unit. They should now be in a position to complete the externally assessed assignment evidence requirements, within the time allocated.

Opportunities for synoptic teaching and learning

This section identifies for tutors and learners opportunities for developing links in teaching and learning with other units in the qualification.

The unit's broader links with the Extended Certificate qualification are listed in Appendix A.

Performance outcome	Links to other Certificate units
PO1 Enterprising behaviour	Business dynamics PO1: business markets, visions, aims and objectives in relation to market opportunities.
PO1 Innovation, risk and uncertainty	Business dynamics PO1: stakeholders and ownership in relation to risk and uncertainty.
PO1 Myers-Briggs personality types and enterprising behaviour	Business dynamics PO1: business organisation in relation to skills. Business dynamics PO2: recruitment in relation to skills.
PO2 Potential target markets	Business dynamics PO4: business potential (relevant external environment forces) in relation to socio-economic characteristics. Business dynamics PO2: competitive advantage in relation to expected product benefits.
PO2 Support network	Financial planning and analysis all AOs: in relation to financial support; business knowledge, skills and experience. Business dynamics PO2 and PO3: all in relation to business knowledge, skills and experience; access to customers and suppliers.
PO2 Selecting a customer value proposition for a personal enterprise	Business dynamics PO2: competitive advantage in relation to customer value proposition. Business dynamics PO3: competitive position in relation to competition.
PO3 Marketing activities	Financial planning and analysis AO2: costs and revenue in relation to product, price and potential revenue. Business dynamics PO2: competitive advantage in relation to product and price options. Business dynamics PO3: competitive position in relation to the viability of product and price options.
PO3 Operations activities	Financial planning and analysis AO2: costs and revenue in relation to potential operating costs. Financial planning and analysis AO1 and AO2: financing an enterprise and cash-flow in relation to potential start-up costs.
PO3 Viable personal enterprise	Financial planning and analysis AO2: making a profit/surplus and break-even in relation to viability.
PO4 Risks and uncertainties; contingencies	Financial planning and analysis AO1 and AO2: all in relation to possible risks and uncertainties. Business dynamics PO4: all in relation to risk assessment of the implementation plan (ie a SWOT analysis in the context of the proposal).

Resources

Internet enabled computer to research current:

- examples of local enterprising behaviour and their benefits to stakeholders
- markets and market opportunities
- use of innovation and technology
- customer value propositions
- target markets and key features
- support network groups
- potential costs and revenues.

Useful links and publications

Surridge, Chapman, Merrills and Cornelius, *Applied Business,* Collins, ISBN 0-00-720140-0; chapter 1, (Business Dynamics) and relevant materials from chapter 4 (Meeting Customer Needs).

PO1 Understand enterprising behaviour

- cobwebinfo.com/how-to-be-enterprising-enough/
- qaa.ac.uk/en/Publications/Documents/enterprise-entrepreneurship-guidance.pdf (note: for tutor use to review meaning of enterprise education – this is a QAA higher education document)
- forbes.com/sites/billconerly/2015/04/14/business-uncertainty-and-the-high-altitude-view-of-the-external-environment/
- forbes.com/sites/innovatorsdna/2012/06/04/are-you-an-innovative-entrepreneur/
- myersbriggs.org/my-mbti-personality-type/mbti-basics/
- 16personalities.com/free-personality-test

PO2 Investigate customer value propositions for personal enterprise

- ukgeographics.co.uk/blog/social-grade-a-b-c1-c2-d-e
- product2market.walkme.com/benefit-segmentation-examples/
- beta.tutor2u.net/business/reference/distribution-channels
- marketsegmentation.co.uk/segmentation_alt_tmsc.htm#channel
- fsb.org.uk/
- startups.co.uk/young-entrepreneurs/
- startupdonut.co.uk/blog/2011/10/how-easily-can-you-explain-your-business-idea
- startupdonut.co.uk/blog/2012/08/seven-degrees-innovation-how-create-great-business-ideas
- mindtools.com/CommSkll/ValueProposition.htm
- engr.colostate.edu/~marchese/stese/reading2.pdf
- hbr.org/2006/03/customer-value-propositions-in-business-markets

PO3 Consider marketing and operations activities for personal enterprise

- startups.co.uk/4-simple-steps-to-pricing-your-products-and-services/
- mindtools.com/pages/article/newSTR_94.htm
- gov.uk/starting-up-a-business/find-partners-suppliers-and-premises

PO4 Review the risks and uncertainties of personal enterprise

- caycon.com/what-kills-startups.php
- resources.lloydsbank.com/business-guides/managing-a-business/contingency-planning/

11.4 Unit 4: Managing and leading people

Title	Managing and leading people
Unit type	Mandatory
Unit assessment type	Externally assessed
Assessment method	1 hour 30 minutes examination
Guided learning hours	60
Transferable skill(s)*	• Research • Communication • Problem-solving *There are opportunities to develop the above transferable skills in the delivery of this unit.

Aim and purpose

In this unit, you will investigate how managers can organise, motivate and lead employees through organisational change to achieve business objectives.

Unit introduction

In this unit, you will explore how organisations, operating in a changing environment, use managers and employees to achieve objectives. This will include the importance of leadership, how employees and managers interact in the workplace and the impact that different organisational structures have on how managers and employees work in them.

You will study the role of management and contrast this with that of leadership. You will investigate the importance of business culture, the factors affecting the motivation of employees and why they might resist organisational change. You will study why styles of leadership are important to the way in which a business functions and how the chosen style depends on the motivational needs of employees. You will consider how empowerment can help motivate employees and how managers can use this, and leadership, to implement organisational change.

Assessment outcomes

Learners will be able to:

Assessment outcome 1:	Investigate the roles of managers and leaders in a changing environment.
Assessment outcome 2:	Investigate the factors affecting the performance of employees within organisations.
Assessment outcome 3:	Assess the ability of managers to lead and empower employees.
Assessment outcome 4:	Assess the use of leadership and empowerment to implement organisational change.

Unit content

Assessment outcome 1: Investigate the roles of managers and leaders in a changing environment	

Managers	• Roles:
	    • planning
	    • organising
	    • monitoring and evaluating
	    • reporting.
	 • Management decision-making process and approaches to problem-solving (eg FOCUS and business canvas model).

Leaders	• Creating an inspiring business vision. • Motivating and inspiring people to believe in the vision. • Managing the delivery of the vision. • Building effective teams to implement the vision. • Adapting the business vision due to events arising from risk and uncertainty.
Leaders vs managers	• Transformational vs transactional. • People focus vs operational focus. • Risk seeking vs risk minimising.

Changing environment	• Types of change:
	    • internal, external
	    • incremental, disruptive.
	 • Force field analysis, to include external environment forces:
	    • economic
	    • social and ethical
	    • technological
	    • legal and political.
	 • Roles of managers and leaders in a changing environment.

Assessment outcome 2: Investigate the factors affecting the performance of employees within organisations	

Impact of organisational structure on organisational performance	• Organisational structure:
	    • tall, flat
	    • centralised, decentralised
	    • matrix, hierarchical.
	 • Impact on organisational performance:
	    • where decisions are made
	    • communication within the organisation.

Assessment outcome 2: Investigate the factors affecting the performance of employees within organisations	
Factors affecting employee motivation	- Johnson and Scholes cultural web. - Theories of motivation: - content eg Herzberg and Maslow - process eg Locke and Vroom. - Factors: - financial - non-financial, including organisational culture.
Factors affecting the performance of teams within organisations	- Composition of teams eg cross-functional. - Factors affecting the performance of teams: - business vision - organisational culture - skills - personality types - team member goals and motivation - availability of required resources.

Assessment outcome 3: Assess the ability of managers to lead and empower employees	
Leadership	- Tannenbaum and Schmidt leadership continuum. - Different motivational needs of employees due to variations in their: - characteristics - circumstances - job roles - employment contracts. - How the leadership styles used by managers depend on the motivational needs of employees. - Ability of managers to lead, considering the culture of the organisation and their: - position power - legitimate power (coercive and reward) - personal power (expert and referent).
Empowerment	- Meaning of empowerment in terms of sharing information, rewards and power with employees. - Benefits of empowerment in motivating employees. - Problems of empowerment: - management control - devolution of power - willingness of employees to accept responsibility. - Circumstances in which empowerment should be used.

Assessment outcome 4: Assess the use of leadership and empowerment to implement organisational change	

Factors resisting organisational change	• Organisational change:
	  • cultural
	  • strategic
	  • structural
	  • procedural.
	• Factors resisting:
	  • self-interest
	  • misunderstanding and lack of trust
	  • low tolerance for change
	  • different assessment of the need for change.

Implementing organisational change	• Use of ADKAR, considering employees need to:
	  • be **aware** of the need for change
	  • have the **desire** to participate and support the change
	  • **know** how to change
	  • have the **ability** to use required skills and behaviours
	  • receive **reinforcement** to sustain change.
	• Impact of financial and operational constraints on the ability to implement organisational change.
	• Using leadership and empowerment to implement organisational change.

Assessment outcomes

Learners will be able to:

Assessment outcome 1: Investigate the roles of managers and leaders in a changing environment	
a	Apply knowledge and understanding of managers and leaders to organisational contexts.
b	Apply knowledge and understanding of the differences between leadership and management.
c	Apply knowledge and understanding of the changing environment to business contexts and analyse the forces requiring organisational change.
d	Analyse the roles of managers and leaders in a changing environment.

Assessment outcome 2: Investigate the factors affecting the performance of employees within organisations	
a	Apply knowledge and understanding of organisational structure to business contexts and analyse the impact of these on organisational performance.
b	Apply knowledge and understanding of business culture and motivation theories to employee contexts and analyse the factors affecting employee motivation.
c	Apply knowledge and understanding of teams to organisational contexts and analyse the factors affecting their performance.

Assessment outcome 3: Assess the ability of managers to lead and empower employees	
a	Apply knowledge and understanding of leadership styles to organisational contexts and analyse the advantages and disadvantages of these.
b	Analyse the motivational needs of employees in given organisational contexts and evaluate their impact on the leadership styles used by managers.
c	Analyse and evaluate the ability of managers to lead, in given organisational contexts, considering their authority and power.
d	Apply knowledge and understanding of empowerment to organisational contexts, analysing and evaluating the benefits and problems of using empowerment.

Assessment outcome 4: Assess the use of leadership and empowerment to implement organisational change	
a	Apply knowledge and understanding of organisational change to business contexts and analyse the factors resisting this.
b	Apply knowledge and understanding of ADKAR to organisational contexts and analyse the use of ADKAR to implement change.
c	Apply knowledge and understanding of financial and operational constraints to organisational contexts and analyse their impact on managements' ability to implement organisational change.
d	Analyse and evaluate the use of leadership and empowerment to implement organisational change.

Assessment

This unit is assessed through an external examination set and marked by AQA. The examination takes place under controlled examination conditions and the date is published at the start of each academic year.

The examination consists of a written paper with two sections: A and B. Learners are required to complete both sections and there will be no optional questions in either section.

The examination will last 1 hour 30 minutes and the total number of marks available in the examination is 60 marks.

Section A is worth 40 marks and consists of relatively short questions based on the whole of the specification for this unit. The learner is required to answer all of the questions in Section A.

Section B is worth 20 marks and focuses on a single, larger question. The question in Section B will not necessarily cover the whole of the specification for this unit in an assessment. The learner is required to answer this question.

AQA will ensure that the full content of the unit specification is covered equally over the life of the qualification.

Guided learning hours breakdown

	A01	A02	A03	A04	Total
Delivery time	12 hours	18 hours	18 hours	12 hours	60 hours

Delivery guidance

The use of larger, and possibly transnational, businesses is acceptable if this aids learners' development. Centres should, however, use small and medium enterprises (SME) examples throughout this unit (across all AOs) wherever possible. Links to the Business Planning unit should also be made at every opportunity. Learners should be encouraged to see the content of Managing and leading people as part of their business practice futures. The most immediate way of doing this is for tutors to make clear links between this unit and learners' Business planning unit.

AO1 Investigate the roles of managers and leaders in a changing environment

Tutors should outline the main goals of the unit, ie understanding the challenges faced by managers when faced with a changing environment and the importance of leadership in implementing organisational change. This could be illustrated through contexts familiar to learners eg family, social groups and team sports activities. Tutors could use two or three relatively simple business case studies to illustrate the roles of managers and the management decision-making process. Learners could be given a role play scenario involving one or two management decisions and provided with the FOCUS framework.

The meaning and significance of leadership, and its contrast with the skills set of management, could then be illustrated through familiar contexts – not necessarily business-related – to help learners appreciate the very real differences between the leadership and management. Business case studies could then be investigated by learners to apply their understanding.

Tutors should then move onto the final aspect of AO1 to cover the meaning, analysis and significance of the changing environment. This will require the use of a range of case studies to illustrate the different types of change and forces bringing about change. Learners should become familiar with the use of force field analysis in real business contexts. This is an opportunity for learners to develop their secondary research skills using the internet. Tutors could provide learners with two or three structured research and analysis exercises. These exercises would provide the business context, indications of key external environment forces, initial web links for research, templates for recording findings and using force field analysis. Working in small groups, learners could report back to the class on key forces and implications for change.

Tutors could then outline the roles of managers and leaders in a changing environment and, using the previous research and analysis exercises, learners could consider the importance of management and leadership. This would also act as a general revision of the AO1 content.

At this stage, learners could be given a number of assessment exercises covering knowledge, application and analysis. These exercises should be in line with the sample assessment material, ie consisting of multiple choice, short answer and data response questions. The questions should target the assessment skills shown in Section 6.1 of this unit specification, eg 5.1 c 'Analyse the roles of managers and leaders in a changing environment'. Evaluation skills are **not** required for AO1. Tutors should not complicate delivery by focussing on evaluation skills at this stage of Managing and leading people.

AO2 Investigate the factors affecting the performance of employees within organisations

In this assessment outcome, learners are set the challenge of analysing motivation factors and how they impact on employee performance. As in AO1, the skill of evaluation is **not** part of the unit's assessment objective. At this stage in the unit, learners are still adding to their management and leadership 'toolkit'. A genuine understanding of this toolkit is the primary objective.

Tutors should initially consider the meaning and significance of organisational structure. This should be a reasonably rapid coverage as its significance is related to the impact on organisational culture and employee motivation. However, learners need to gain an appreciation of different structures and their impact on communication and decision-making. Two or three brief case studies should be sufficient to illustrate these issues.

Tutors should then consider the meaning of organisational culture. This should be seen as a development of the last section of AO1, ie how managers and leaders set their expectations of employees when operating within a changing business environment. Johnson and Scholes cultural web could, initially, be illustrated by the culture of the learners' school/college. Learners' awareness of this culture, throughout their time within the 'organisation', could be discussed. The tactics and strategies learners' have developed to 'survive' and 'thrive' within the organisation could then be considered. In particular, power structures should provide ample opportunities for interesting reflection. Tutors could then provide one or two case 'stories' illustrating cultural dynamics within business organisations. Links to Investigating Enterprise could be made in respect of innovation. The significance of organisational structure could then be highlighted as learners move towards an understanding of their school/college's cultural paradigm. At this stage, it might be useful for learners to reflect on how this cultural paradigm impacts on the behaviour and motivation of learners.

Tutors could then move on to motivation theories, with the focus being on the difficulty of characterising a theory of motivation. Tutors should introduce the two 'camps', ie content theories and process theories. Which particular theories tutors use to illustrate these two approaches is entirely at each tutor's discretion. Learners could continue to consider the context of their own school/college. Learners could contrast, for example, Locke's approach (which would certainly be familiar to learners) with that of Maslow in the context of their own motivation.

At this stage, tutors could introduce two or three case studies (each around 350 to 450 words in length) of business organisations presenting stories in relation to organisational structure, aspects of culture and possible factors motivating employees when faced with change. Tutors could then review the first two sections of AO2 by discussing the financial and non-financial factors affecting employee motivation. The importance of organisational culture, and the connection with organisational structure, could be underlined.

Tutors should then move onto the factors affecting team performance. After considering how a range of businesses use teams, tutors could provide two or three exercises for learners to complete. In each case, learners would be working in groups and be set appropriate challenges. Initially, the challenge might be unrelated to specific business contexts (eg a production game such as businessballs.com/how_to_make_a_baking_foil_horse.htm). Subsequent exercises could be related to management decision-making contexts. In each case, tutors would help learners to review factors affecting the performance of their teams. All of the factors listed in the specification content could be referenced.

Finally, tutors could give learners a series of assessment exercises, much as in AO1, focussing on AO2's content and the assessment skills of knowledge, application and analysis. Section 5.2 of this specification provides further guidance.

AO3 Assess the ability of managers to lead and empower employees

Having developed their management and leadership toolkit in AO1 and AO2, learners are now faced with the challenge of assessing the ability of managers to lead and empower employees. This is likely to be challenging for many learners. Links to enterprise activities, which might have been carried out in the Investigating enterprise unit, and current investigations within the Business planning unit should be made. Experiences of part-time employment will also provide useful, immediate contexts.

Tutors could introduce the leadership continuum model by referring to learners' own experiences of leading and being led. The importance of motivational factors and the impact of these on the most appropriate style of leadership could then be discussed. Implicitly, this will also act as a review of AO1 and AO2. Learners could then, working in small groups, be given 'which leadership style?' challenges, where employee contexts, organisational culture and management objectives are provided. In each case, learners are asked to **evaluate** the leadership style that should be used by manager(s). After this process, tutors could present learners with more complex scenarios that individual learners address and give feedback of their own views to the class.

At this stage, the factors affecting the ability of managers to lead could be considered. The theme of organisational culture should be primary, whilst power and authority should be seen within the context of culture. In this way, learners will hopefully develop a more integrated understanding of power and authority, ie they are not divorced from their cultural contexts. Focussed case studies could be given to learners and, working in groups, they could continue to develop their skills of analysis and evaluation.

Empowerment is a natural development of the previous topics and could be delivered through the use of more wide-ranging case studies. Links to AO2 topics on teams could be made and AO3 concluded by setting two or three assessment exercises covering the full range of assessment skills, ie requiring extended responses and targeting evaluation (see Section 5.3 above).

AO4 Assess the use of leadership and empowerment to implement organisational change

This assessment objective places the content of previous assessment objectives in the context of change management. The focus is on the use of leadership and empowerment. Tutors could take 'time-out' to review AO1, AO2 and AO3 with learners before introducing the key concepts of factors resisting organisational change and ADKAR.

Tutors should initially define the range of changes that can occur within organisations. The use of case materials related to larger organisations may well be inevitable, especially in relation to culture and strategy. However, if SME examples can be used, this will always be preferable.

After ensuring that learners appreciate the significance of the scale and nature of change, the factors resisting change can be introduced. These four factors should be linked back to topics contained in AO2, ie culture and motivation. In all likelihood, materials from case studies used in AO2 and AO3 could be revisited to place the four factors in context. Of greater interest would be the linking of these factors to ADKAR.

Tutors should formally introduce ADKAR as an organising concept. This could be presented as the series of steps leaders must take employees through if the factors resisting change are to be eliminated. Tutors should use two or three case studies specifically addressing these steps and illustrating some of the difficulties of diminishing the presence of factors resisting change. An SME context would certainly be preferable here. These issues could also be linked to learners' findings in relation to their own business proposal within the Business planning unit (in particular, PO4 of this unit). At this stage, the importance of financial and operational constraints could also be addressed, ie the practical constraints that serve sometimes to hamper the effective management of change.

Tutors should then consider the use of leadership and empowerment to implement organisational change. This topic requires the use of **all** previous concepts (AO1 to AO4) and could be delivered through workshop sessions where learners are presented with a range of different organisational changes and associated contexts. If possible, the use of adults other than teachers to support these workshops, for example local business managers, could be very beneficial.

Finally, tutors should provide learners with a variety of assessment challenges, covering all of the unit's topics and assessment skills. The links between concepts should be made apparent to learners and their integrated nature appreciated.

Opportunities for synoptic teaching and learning

This section identifies for tutors and learners opportunities for developing links in teaching and learning with other units in the qualification.

Assessment outcome	Links to other Extended Certificate units
AO1 Managers	Developing a business proposal PO1: outlining resource requirements in relation to the roles of managers, problem-solving and decision-making. e-Business implementation PO2: in relation to management roles, decision-making and problem-solving when selecting an e-business strategy. Managing an event all POs: in relation to the process of planning, organising, monitoring, evaluating and reporting. Marketing communications PO2: in relation management roles, decision-making and problem-solving when selecting a marketing communications strategy.
AO1 Leaders	Developing a business proposal PO1: selecting a business idea in relation to considering the potential of the ideas. e-Business implementation PO2: importance of vision when selecting an e-business strategy. Managing an event PO1, PO2 and PO3: in relation to the meaning and opportunities for leadership whilst planning for and delivering the event. Marketing communications PO2: importance of vision when selecting a marketing communications strategy.
AO1 Leaders vs managers	Developing a business proposal PO3: in relation to presenting a coherent business proposal to funding providers. Managing an event PO1, PO2 and PO3: in relation to the need to manage the event as opposed to providing leadership.
AO1 Changing environment	Developing a business proposal PO1: selecting a business idea. e-Business implementation PO2: meaning of changing environment and its significance for the use of e-business technologies. Marketing communications PO1: in relation to available communications and channels eg technological change and impact on modern channels. Marketing communications PO2: in relation to impact on target market characteristics.
AO2 Impact of organisational structure on organisational performance	Developing a business proposal PO2: in relation to considering human resources research requirements. e-Business implementation PO2: in relation to available human resources and e-business skills. Managing an event PO1 and PO3: in relation to where decisions are made and communication within the event management team. Marketing communications PO3: in relation to available human physical resources available for the marketing communications mix.

Assessment outcome	Links to other Extended Certificate units
AO2 Factors affecting employee motivation	Developing a business proposal PO2: in relation to considering human resources and financial research requirements. Managing an event all POs: in relation to the motivation and performance of the event management team. Marketing communications PO2: in relation to influences on behaviour eg cultural, social and personal factors.
AO2 Factors affecting the performance of teams within organisations	Developing a business proposal PO2: in relation to considering human resources research requirements. e-Business implementation PO3: in relation to the e-business proposal and its components (eg training and support of users). Managing an event all POs: in relation to the composition and performance of the event management team.
AO3 Leadership	Developing a business proposal PO3: communicating with funding providers (demonstrating potential leadership skills).
AO3 Empowerment	e-Business implementation PO3: in relation to internal stakeholder opinions and approval. Managing an event all POs: in relation to the composition and performance of the event management team.
AO4 Factors resisting organisational change	Developing a business proposal PO4: contingency planning (managing change resulting from strategic and tactical responses to identified risks). e-Business implementation PO3: in relation to internal stakeholder opinions and approval. Managing an event PO3 and PO4: in relation to event delivery and considering team performance.
AO4 Implementing organisational change	Developing a business proposal PO4: achieving objectives (modifying the business proposal). e-Business implementation PO3: in relation to components of the e-business proposal by considering internal stakeholder views in relation to ADKAR factors. Managing an event PO3 and PO4: in relation to event delivery and considering team performance through a consideration of ADKAR factors. Marketing communications PO3: in relation to the coherence of the marketing communications mix.

Assessment outcomes	Links to Certificate units
AO1 Managers	Business dynamics PO1: in relation to business organisation and managers' roles.
AO1 Leaders	Business dynamics PO1: in relation to vision and aims.

Assessment outcomes	Links to Certificate units
AO1 Leaders vs managers	Business dynamics PO1: in relation to meaning of risk. Entrepreneurial opportunities PO1: enterprising behaviour and the differences between leaders and managers. Entrepreneurial opportunities PO1: innovation, risk and uncertainty in relation to the contrast between leadership and management.
AO1 Changing environment	Business dynamics PO4: internal strengths and weaknesses in relation to identifying the type of change required. Business dynamics PO4: external threats and opportunities in relation to force field analysis. Entrepreneurial opportunities PO1: innovation, risk and uncertainty in relation to the responding to a changing environment.
AO2 Impact of organisational structure on organisational performance	Business dynamics PO2: organisational types in relation to organisational performance.
AO2 Factors affecting employee motivation	Business dynamics PO2: organisational types in relation to impact on culture and motivation. Business dynamics PO2: in relation to how effectiveness of recruitment impacts on motivation. Entrepreneurial opportunities PO1: Myers-Briggs in relation to factors affecting the performance of teams.
AO2 Factors affecting the performance of teams within organisations	Business dynamics PO2: organisational types in relation to structure and performance of teams. Entrepreneurial opportunities PO1: Myers-Briggs in relation to factors affecting employee motivation.
AO3 Leadership	Business dynamics PO3: in relation to management policies to improve competitive position.
AO3 Empowerment	Business dynamics PO3: in relation to management policies to improve competitive position.
AO4 Factors resisting organisational change	Business dynamics PO3: in relation to how managers demonstrate effective leadership when identifying and implementing change. Entrepreneurial opportunities PO1: Myers-Briggs in relation to factors resisting organisational change.
AO4 Implementing organisational change	Financial planning and analysis AO1 and AO2: all aspects in relation to financial constraints and implementing organisational change. Business dynamics PO3: in relation to how managers demonstrate effective leadership when identifying and implementing change. Entrepreneurial opportunities PO1: Myers-Briggs in relation to ADKAR factors. Entrepreneurial opportunities PO3: in relation to operational constraints and impact on implementing organisational change.
Assessment outcomes	Links to Certificate units

Resources

Internet enabled computers to research current:

- management and leadership practices within UK businesses
- forces driving and resisting change within UK businesses
- theoretical approaches to culture, motivation, effective teamwork, empowerment, leadership, and change implementation.

Useful links and publications

Chapman, Surridge, McGuire, Merrills and Buchanan, *Applied Business*, Collins, ISBN 0-00-720142-7, chapter 4 (Managing People) and relevant materials from chapter 6 (Managing Change).

AO1 Investigate the roles of managers and leaders in a changing environment

- mindtools.com/pages/article/newTED_00.htm
- mindtools.com/pages/article/focus-model.htm
- changingminds.org/disciplines/leadership/articles/manager_leader.htm
- mindtools.com/pages/main/newMN_LDR.htm
- change-management-coach.com/force-field-analysis.html
- businesscasestudies.co.uk

AO2 Investigate the factors affecting the performance of employees within organisations

- mindtools.com/pages/article/newSTR_90.htm
- ozgurzan.com/management/management-theories/theories-about-motivation/
- mindtools.com/pages/searchresults/?words=teams

AO3 Assess the ability of managers to lead and empower employees

- mindtools.com/pages/article/newLDR_42.htm
- healthknowledge.org.uk/public-health-textbook/organisation-management/5a-understanding-itd/power-authority-role-conflict
- humanresources.about.com/od/employeeempowerment/

AO4 Assess the use of leadership and empowerment to implement organisational change

- management.simplicable.com/management/new/10-types-of-organizational-change
- change-management-coach.com/resistance_to_change.html
- entrepreneurshipinabox.com/223/factors-that-causes-resistance-to-organizational-change/ (note: this is an exhaustive list of factors resisting change which learners could assess in relation to the four factors (from A G Bedeian) listed in the specification)
- change-management.com/tutorial-adkar-Overview.htm (and associated pages)
- mindtools.com/pages/article/newPPM_82.htm

11.5 Unit 5: Developing a business proposal

Title	Developing a business proposal
Unit type	Mandatory
Unit assessment type	Internally assessed
Recommended assessment method	Practical assignment
Guided learning hours	60
Transferable skill(s)*	• Research • Communication • Problem-solving *There are opportunities to develop and assess the above transferable skills in the delivery of this unit.

Aim and purpose

In this unit, you will investigate the processes required to develop, present and evaluate a business proposal. The business proposal will require human resources beyond those provided by yourself. You will develop a concise proposal and present this to funding providers.

Unit introduction

In this unit, you will use mind mapping software (such as a word processor with graphics functions) to consider the potential of your initial business ideas. You will then select one business idea to develop as a business proposal. You will outline the marketing, operations, human resources and financial plans of your selected business idea. This will require you to carry out research to gather the information needed by the outline plans. You will use a spreadsheet model of your business proposal to test its viability. In order to raise finance for the proposal, you will produce materials to communicate the outline marketing, operations, human resources and financial plans to funding providers. Finally, you will evaluate your business proposal, considering ways in which its marketing and operations plans might be improved.

Performance outcomes

Learners will be able to:

Performance outcome 1:	Investigate potential business ideas.
Performance outcome 2:	Develop a business proposal.
Performance outcome 3:	Present a business proposal to funding providers.
Performance outcome 4:	Review a business proposal.

Unit content

Performance outcome 1: Investigate potential business ideas	
Using mind maps for decision-making	• Considering potential business ideas. • Software eg diagramming features of word processors, specialist software such as TheBrain.

Identifying products and target markets	• Mind mapping business ideas:
	  • products ie good or service
	  • product characteristics eg form, function, complexity
	  • target markets eg business or final consumer
	  • target market segments eg budget or high end.

Outlining resource implications	• Using mind maps to outline the resource implications of business ideas:
	  • human eg implications for skills, roles and responsibilities
	  • physical eg implications for premises, equipment
	  • financial eg implications for funding required, cash-flow
	  • personal eg organisational and management skills, impact on the owner eg workload and personal risk.

Selecting a business idea	• Considering potential:
	  • competitive advantage and rivalry
	  • external environment factors relevant to the products and target markets
	  • risk and uncertainty
	  • legal issues related to competitor trademarks and patents
	  • continued expansion and potential to protect competitive advantage eg through use of trademarks and/or patents.
	• Selecting a business idea using mind maps and decision-making tools:
	  • Plus, minus, interesting (PMI) tool (Edward de Bono)
	  • ranking options.

Performance outcome 2: Develop a business proposal	

Researching, modelling and testing the business proposal	• Approaches to developing a coherent business proposal eg Business model canvas.
	• Research plans to investigate the marketing, operations, human resources and financial components of a business proposal.
	• Implementing research plans to identify key findings.
	• Completing a spreadsheet model of a business proposal, showing forecasted:
	  • sales, costs, contribution and break-even
	  • cash-flow
	  • income statement.
	• Using a completed spreadsheet model of a business proposal to:
	  • test its viability
	  • clarify its vision and aims.

Performance outcome 2: Develop a business proposal	

Using research findings to outline coherent marketing, operations, human resources and financial plans	• Marketing plan key components:
	  • target market customer profiles
	  • competitors
	  • unique sales proposition
	  • customer value proposition
	  • marketing activities
	  • sales forecast.
	• Operations plan key components:
	  • physical resources required
	  • suppliers, materials and stock levels
	  • customer order fulfilment processes and quality control.
	• Human resources plan key components:
	  • skills and organisation of employees
	  • employee motivation
	  • management and leadership of employees.
	• Financial plan key components:
	  • amount of finance required
	  • method and cost of finance
	  • cash-flow forecast
	  • projected income statement.
	• Coherence of the proposal.

Performance outcome 3: Present a business proposal to funding providers	
Producing materials to communicate the business proposal	• Methods of communication (verbal, non-verbal and visual). • Executive summary, to include business activities, vision and aims. • Materials to communicate the key components of the business proposal. • Importance of producing concise and logical communication materials.
Communicating with funding providers	• Potential funding providers. • Channels of communication. • Responding to funding provider questions about the content of the outline marketing, operations, human resources and financial plans. • Dealing with funding provider concerns about the coherence of the business proposal, demonstrating potential leadership skills.

Performance outcome 4: Review a business proposal	
Strategic contingency planning	• Risks eg competitor reactions, staff performance, sales levels. • Evidence eg past competitor behaviour, economic forecasts. • Impact eg business image, sales outcomes. • Managing change resulting from strategic and tactical responses to identified risks.

Achieving aims	• Factors affecting the ability of the business proposal to achieve its aims, considering the challenges of:
	   • achieving sales
	   • acquiring human resources
	   • leading and empowering human resources.
	• Modifying the business proposal's:
	   • marketing plan
	   • operations plan
	   • human resources plan.

Grading criteria

Performance outcomes	Pass	Merit	Distinction
	To achieve a pass the learner must evidence that they can:	In addition to the pass criteria, to achieve a merit the learner must evidence that they can:	In addition to fulfilling the pass and merit criteria, to achieve a distinction the learner must evidence that they can:
PO1 **Investigate potential business ideas**	**P1** (4 UMS points) Map the products, target markets and resource implications of **three** business ideas.	**M1** (4 UMS points) Analyse the significance of each business idea's resource implications.	
	P2 (4 UMS points) Identify advantages and disadvantages of implementing the **three** business ideas.	**M2** (4 UMS points) Analyse the potential of **three** business ideas, using decision-making and mind-mapping tools.	**D1** (4 UMS points) Recommend and justify the business idea to be developed as a business proposal, using decision-making and mind-mapping tools.

Performance outcomes	Pass	Merit	Distinction
	To achieve a pass the learner must evidence that they can:	**In addition to the pass criteria, to achieve a merit the learner must evidence that they can:**	**In addition to fulfilling the pass and merit criteria, to achieve a distinction the learner must evidence that they can:**
PO2 **Develop a business proposal**	**P3** (4 UMS points) Outline a research plan sufficient to investigate a business proposal.		
	P4 (4 UMS points) Collect and collate data to develop the business proposal.	**M3** (4 UMS points) Analyse the data to identify key findings needed to develop the business proposal.	
	P5 (4 UMS points) Complete a spreadsheet model to clarify the business proposal's vision and aims.	**M4** (4 UMS points) Analyse the potential viability, vision and aims of the business proposal using the spreadsheet model.	**D2** (4 UMS points) Justify the viability, vision and aims of the business proposal using the spreadsheet model.
	P6 (4 UMS points) Outline the proposal's marketing, operations, human resources and financial plans.	**M5** (4 UMS points) Analyse the coherence of the proposal.	**D3** (4 UMS points) Justify the coherence of the proposal.
PO3 **Present a business proposal to funding providers**	**P7** (4 UMS points) Produce materials sufficient to communicate the business proposal to funding providers.	**M6** (4 UMS points) Explain the rationale of the content, structure and organisation of the communication materials.	**D4** (4 UMS points) Evaluate the strength of the materials communicating the business proposal.
	P8 (4 UMS points) Communicate the business proposal to funding providers.	**M7** (4 UMS points) Provide responses, supported by evidence, to three funding provider questions on the content of the business proposal.	**D5** (4 UMS points) Provide justified responses to **two** funding provider concerns about the coherence of the business proposal.

Performance outcomes	Pass	Merit	Distinction
	To achieve a pass the learner must evidence that they can:	In addition to the pass criteria, to achieve a merit the learner must evidence that they can:	In addition to fulfilling the pass and merit criteria, to achieve a distinction the learner must evidence that they can:
PO4 **Review a business proposal**	**P9** (4 UMS points) Describe **four** possible risks faced by the business if the proposal was implemented.	**M8** (4 UMS points) Analyse responses to possible risks faced by the business if the proposal was implemented.	
	P10 (4 UMS points) Describe **three** factors affecting the ability of the business proposal to achieve its vision and aims.	**M9** (4 UMS points) Analyse potential changes to the business proposal in order to improve its ability to achieve its vision and aims.	**D6** (4 UMS points) Recommend and justify changes to the business proposal to improve its ability to achieve its vision and aims.
Total UMS for each grade	40	60	80

Assessment amplification

The scale of operation of each learner's business proposal should be one which requires additional human resources beyond those provided by the learner. However, it should not be so large a scale of operation that the likelihood of funding the proposal is seriously in question.

In **P1** evidence should be provided in the form of an annotated mind map.

In **P3** evidence should be presented in the form of a word table covering the key components of a research plan, ie as a required minimum, what needs to be researched, how these items of research will be collected and collated and when each item of research will be implemented (planned start and end dates).

In **M3** analysis of questionnaire results, if collected (P4), must include at least **three** purposeful uses of cross tabulation, eg tabulating opinions of product features by respondents' age group.

In **P5** centres should provide learners with a suitable spreadsheet template, which learners should complete using their own evidence from P4/M3. The spreadsheet should cover a 12 month time period.

In **P6** the outline marketing, operations and financial plans can be presented as a 'working' analytical research file, ie the outline plans should contain all key information but do **not** need to be presented using a formal report format intended for funding provider use.

In **P7** and **P8** the materials should be suitable for their selected channels of communication. These channels can be wholly electronic, ie it is **not** necessary to carry out a face-to-face presentation.

In **M7** and **D5** the questions from funding providers can be communicated by the tutor to learners if a face-to-face presentation is not used.

In **M9** and **D6** the potential and proposed changes to the business plan should be related to the marketing, human resources and/or the operations plans. Learners are required to address the financial plan in as much as the proposed changes to the marketing and/or operations plans modify the cash-flow forecast and projected income statement. If additional funding is suggested, this **must** be supported by evidence from funding providers.

Guided learning hours breakdown

	PO1	PO2	PO3	PO4	Total
Delivery time	9 hours	16 hours	12 hours	8 hours	45 hours
Assessment time	3 hours	6 hours	4 hours	2 hours	15 hours
Total	12 hours	22 hours	16 hours	10 hours	60 hours

Delivery guidance

PO1 Investigate potential business ideas

Tutors should highlight one of the key features of the Extended Certificate, ie that the two portfolio units are integrated and both based on a business proposal. The nature of the optional units could be outlined and the purpose of the Business proposal unit detailed.

Learners should be given time to consider a range of potential business ideas. Some of these ideas could be ones considered when tackling the Entrepreneurial opportunities unit and it would be helpful if tutors reviewed this, and the other Certificate units, before learners investigate their business ideas. Tutors could then introduce the uses of mind-mapping techniques, perhaps focussing on topics familiar to learners, and ask learners to produce one or two mind maps. These mind maps would be used to illustrate how they can assist in identifying links between concepts/facts, areas of further research and key themes.

Tutors should then outline the key areas of research learners will focus on when identifying products and target markets, making links to Certificate units as necessary. Learners, at this stage, could begin to identify their three potential business ideas and carry out secondary, probably internet-based, research to compete the associated mind maps. Tutors could then introduce the importance of considering resource implications. Emphasis should be on learners **outlining** human, physical, financial and personal resource implications. Learners should refer back to their Certificate unit notes and consider the possible resource implications of their three ideas.

The final stage of PO1 requires learners to develop, and demonstrate, their ability to select the best business idea. Business dynamics' concepts of competitive advantage and rivalry should be investigated in the context of their three business ideas. The results of this secondary research, together with previous results on product ideas, target markets and resource implications, should provide sufficient evidence for decision-making. At this stage, tutors could provide two or three decision-making exercises using PMI and ranking (eg diamond nine) processes. Links to the Managing and leading people unit could be made regarding decision-making. Learners should then complete PO1 by using these tools, together with their mind maps, to decide on the business idea they will develop as a business proposal.

PO2 Develop a business proposal

Tutors could begin PO2 by reminding learners of the integrated nature of the Extended Certificate's two portfolio units, ie that the optional unit will be completed within the context of learners' own business proposals. Tutors could provide a time line/flow chart showing the sequence of investigations, ie initial completion of PO2 in the Developing a business proposal unit; completion of the optional unit, along with recommendations for adjusting the business proposal's marketing and operations plans;

completion of the Developing a business proposal unit (PO2, PO3 and PO4). Learners might still be uncertain about which optional unit they plan to complete. This is understandable and, perhaps, preferable as the option they choose may depend on their research findings in PO2 of the Developing a business proposal unit.

Tutors should then outline the nature and scope of the research required within PO2 and the importance of gathering sufficient information to:

• develop a coherent business proposal, eg Business model canvas
• complete a **spreadsheet model** of the business proposal
• produce **outlines** of the marketing, operations and financial plans
• focus on developing **coherent** marketing, operations and financial plans.

The meaning of these four bullet points could then be covered by the tutor. The spreadsheet template could be introduced, with some example data, and learners could familiarise themselves with it and the data it requires. The meaning of 'outline' should also be made clear at this stage, ie keeping to the bullet points listed in the 'Using research findings to outline coherent marketing, operations and financial plans'. Tutors should stress that learners are focussing on developing an analytical research folder, structured by the content of PO2, which will be used in PO3 to 'pitch' for finance from funding providers. Finally, tutors should discuss the meaning of coherence and its importance for gaining finance from funding providers. Examples of degrees of coherence, eg by referring to a Business Model Canvas, could be provided by the tutor and discussed with learners.

At this stage, learners should be given time to structure, complete and collate their research. They should then complete the spreadsheet template of their business proposals and consider viability vision and aims. The outline plans could then be considered and coherence addressed. Links to the Managing and leading people unit should be highlighted by tutors, with particular emphasis on the operations plan. Similar links, and synoptic content, should be made with the Certificate units.

Finally, learners could consider which optional unit they wish to complete. In particular, those electing to complete the Managing an event unit may well want to form their event management team with other learners.

Tutors could then introduce common themes across the optional units which are also essential to the Developing a business proposal unit, ie communication, technology, processes and resources. At this stage, learners should move on to their optional units. They will use their Developing a business proposal PO2 analytical research folder to inform the investigations carried out within their optional unit.

PO3 Present a business proposal to funding providers

Having completed their optional units, learners should make final adjustments to their outline marketing, operations and financial plans. This 'breathing space' could also be used to consider the coherence of their proposal further. Tutors could also introduce concepts from Managing and leading people to stress the importance of leadership skills when seeking agreement from key stakeholders – in this case, funding providers.

Tutors could then return to theme of communication and discuss the meaning of 'concise and logical communication materials'. The channels that could be used to communicate with funding providers should be outlined and learners should consider the most effective channels and methods of communication.

Learners should then use their PO2 analytical research files, along with additional evidence from their optional units, to produce their communication materials. When completed, the materials should be used to communicate with potential funding providers. These providers should query the nature and coherence of the proposals. Learners should then be given time to respond to these questions and complete the evidence requirements of PO3.

PO4 Review a business proposal

Learners should be given time to review all of their materials, from the Developing a business proposal and optional unit, and time to reflect on the insights gained from 'pitching' their proposals to funding providers.

Tutors could provide examples to illustrate the process of strategic contingency planning, linking this to Managing and leading people in respect of change implementation. Learners should then complete their contingency plans.

Tutors should introduce the three 'limiting' factors affecting the ability of learners' business proposals to achieve their aims. Time should be taken to focus on the reality of these factors in the economy's current and forecasted states. Social, ethical and legal external environment factors (linking back to the Certificate units) should also be considered. The difficulties of leading and empowering human resources – a theme considered in detail within the Managing and leading people unit – should be reflected on and learners could be asked, using all of their Developing a business proposal evidence to date, to consider the reality of implementing their business proposal.

Finally, learners should consider possible modifications to their proposals in relation to the marketing and operations plans, ie could they be made more convincing and 'bullet proof'? This is the genuine 'end point' of the Extended Certificate and, hopefully, represents an opportunity to celebrate the effort and thought each learner has put into her or his business proposal.

Opportunities for synoptic teaching and learning

This section identifies for tutors and learners opportunities for developing links in teaching and learning with other units in the qualification.

Performance outcome	Links to other Extended Certificate units
PO1 Using mind maps for decision-making	Optional units PO2: in relation to using this as a tool for planning and strategy.
PO1 Identifying products and target markets	Managing and leading people AO1: changing environment (all).
PO1 Outline resource requirements	Managing and leading people AO1: management (roles). Managing and leading people AO2: impact of organisational structure on organisational performance (all).
PO1 Selecting a business idea	Managing and leading people AO1: leaders in relation to vision and considering the potential of ideas. Managing and leading people AO1: in relation to the changing business environment. Optional units PO2: in relation to using decision-making tools for planning and strategy.
PO2 Researching, modelling and testing the business proposal	Managing and leading people AO1: management (approaches to problem-solving and management decision-making process).

Performance outcome	Links to other Extended Certificate units
PO2 Using research findings to outline coherent marketing, operations, human resources and financial plans	Managing and leading people AO2: (all) in relation to the nature, skills, organisation and motivation of human resources within the outline operations plan. Optional units PO2: new business planning information (all) in relation to information relevant for planning and strategic decisions.
PO3 Producing materials to communicate the business proposal	Optional units PO1: methods of communication. Managing and leading people AO1: leadership (all) in relation to tone and content of communication materials.
PO3 Communicating with funding providers	Optional units PO1: channels of communication. Managing and leading people AO3 and AO4: in relation to demonstrating leadership skills when dealing with funding provider questions.
PO4 Strategic contingency planning	Managing and leading people AO3 and AO4: (all) in relation to managing change resulting from strategic and tactical responses to identified risks.
PO4 Achieving aims	Managing and leading people AO3 and AO4: (all) in relation to difficulties in leading and empowering human resources.

Performance outcome	Links to Certificate units
PO1 Using mind maps for decision-making	Entrepreneurial opportunities PO2: in relation to customer value proposition and considering potential business ideas
PO1 Identifying products and target markets	Business dynamics PO1: in relation to market and market opportunities. Entrepreneurial opportunities PO1 and PO2: in relation to meaning of target markets and key features of target markets. Entrepreneurial opportunities PO2: in relation to customer value proposition and considering potential business ideas.
PO1 Outline resource requirements	Financial planning and analysis AO1: planning an enterprise in relation to costs and funding requirements
PO1 Selecting a business idea	Business dynamics PO1: in relation to the meaning of risk and uncertainty. Business dynamics PO2: in relation to the meaning of competitive advantage. Business dynamics PO3: in relation to competitive position and its significance for rivalry. Business dynamics PO4: in relation to selecting a business idea through a consideration of strengths, weaknesses, opportunities and threats. Entrepreneurial opportunities PO2: in relation to selecting an ideas based on competition (customer value proposition).

Performance outcome	Links to Certificate units
PO2 Researching, modelling and testing the business proposal	Financial planning and analysis AO1: short and long-term sources of finance (all) in relation to funding aspects of the financial plan. Financial planning and analysis AO2: making a profit or surplus (all) and Costs and break-even (all) in relation to completing a spreadsheet model of a business proposal. Financial planning and analysis AO3: all in relation to using a completed spreadsheet model of a business proposal to test viability and identify aims. Business dynamics PO1: in relation to meaning of vision and aims. Business dynamics PO3: competitive advantage (all) in relation to competition elements of the business proposal's components. Entrepreneurial opportunities PO3: all in relation to meaning of a viable enterprise.
PO2 Using research findings to outline coherent marketing, operations, human resources and financial plans	Financial planning and analysis AO2: in relation to meaning of profit, break-even and cash-flow. Financial planning and analysis AO3: budgets (all) in relation to cash-flow, income and expenditure and what-if analysis. Business dynamics PO2: competitive advantage in relation to USP. Business dynamics PO3: competitive position in relation to competition. Entrepreneurial opportunities PO2: customer value proposition. Entrepreneurial opportunities PO3: in relation to use of marketing and operations activities.
PO3 Producing materials to communicate the business proposal	Business dynamics PO2: in relation to communicating the proposal's competitive advantage. Entrepreneurial opportunities PO3: in relation to communicating marketing and operations proposals.
PO3 Communicating with funding providers	Business dynamics PO2: in relation to communicating the proposal's competitive advantage. Entrepreneurial opportunities PO3: in relation to communicating marketing and operations proposals.
PO4 Strategic contingency planning	All 180 units across all POs and AOs: in relation to risks, evidence and impact within the contingency plan.
PO4 Achieving aims	Financial planning and analysis AO3: (all) in relation to the impact of possible marketing and operations plans changes on the financial plan. Financial planning and analysis AO4: financial ratios (profitability) in relation to measuring the achievement of aims. Business dynamics PO3: management policies to improve competitive position in relation to modifying the business's proposal.

Resources

Internet enabled computers to research:

- potential business ideas, including products, target markets and resource implications
- secondary data relevant to the business proposal's outline marketing, operations and financial plans.

Software to produce mind maps, illustrate the products, target markets and resource implications of potential business ideas (eg drawing facilities within a word processor or specialist software with free versions).

Spreadsheet template for modelling a business proposal:

- providing sales, costs, contribution, cash-flow and income statement tables covering a 12 month time period, eg through multiple sheets
- allowing the printing of tables and charts
- supporting what-if analysis, eg changing a product price will automatically cause changes in the sales, contribution, cash-flow and income statement tables through the use of linked sheets and formulae.

Useful links and publications

Chapman, Surridge, McGuire, Merrills and Buchanan, *Applied Business,* Collins, ISBN 0-00-720142-7, chapter 9 (Business Planning) and relevant materials from chapters 3 (The Marketing Environment), 4 (Managing People), 6 (Managing Change) and 8 (Managing Resources).

PO1 Investigating potential business ideas
Mind mapping

- mindmapping.com/
- thebrain.com/
- mindmaple.com/Downloads/Windows/
- en.wikipedia.org/wiki/List_of_concept-_and_mind-mapping_software

Identifying and selecting business ideas

- startupdonut.co.uk/
- entrepreneurs.about.com/od/gettingstarted/a/chooseabusiness.htm
- gov.uk/starting-up-a-business/start-with-an-idea
- startups.co.uk/under-10000-business-ideas/
- smallbusinessideas.org.uk/category/best-business-start-ups
- mindtools.com/pages/article/newTED_05.htm

PO2 Developing a business proposal
Business model canvas

- diytoolkit.org/tools/business-model-canvas/
- businessmodelgeneration.com/canvas/bmc

PO3 Presenting a business proposal to funding providers

- brighthubpm.com/methods-strategies/79297-comparing-various-forms-of-communication/
- mindtools.com/page8.html
- kent.ac.uk/careers/sk/communicating.htm
- skillsyouneed.com/ips/improving-communication.html

PO4 Reviewing a business proposal

Contingency planning

- mindtools.com/pages/article/newLDR_51.htm
- smallbusiness.chron.com/strategic-contingency-planning-25052.html

11.6 Unit 6: e-Business implementation

Title	e-Business implementation
Unit type	Optional
Unit assessment type	Internally assessed
Recommended assessment method	Practical assignment
Guided learning hours	60
Transferable skill(s)*	• Research • Communication • Problem-solving *There are opportunities to develop and assess the above transferable skills in the delivery of this unit.

Aim and purpose

In this unit, you will investigate the processes required to develop an e-business proposal for a new business start-up.

Unit introduction

Information technology (IT) is an indispensable tool for any business wishing to operate efficiently and effectively. In this unit, you will investigate how existing small business organisations use e-business applications to communicate with suppliers and customers and how they carry out internal business activities. You will then use information from your Business proposal assignment to create an e-business strategy capable of supporting your business proposal. This will require you to investigate available technologies and how they are used internally and by your potential suppliers, customers and competitors. You will then test outline examples of your proposed e-business applications with your stakeholders and use the results to inform the development of an e-business proposal. Finally, you will recommend an e-Business implementation plan and make appropriate adjustments to the business proposal's outline marketing, operations and financial plans.

Performance outcomes

Learners will be able to:

Performance outcome 1:	Investigate the e-business activities of small businesses.
Performance outcome 2:	Plan an e-business strategy.
Performance outcome 3:	Develop an e-business proposal.
Performance outcome 4:	Recommend an e-Business implementation plan.

Unit content

Performance outcome 1: Investigate e-business opportunities and threats	

e-business models	• Meaning and scope of e-business, e-commerce and m-commerce.
	• e-business models:
	   • B2C
	   • B2B
	   • C2B
	   • C2C.
	• Use of e-business models by small businesses.
	• Benefits of e-business for the customer value proposition of small businesses.

e-business communications technology	• Meaning and use of intranets, extranets, the World Wide Web and the Internet.
	• e-business technologies:
	   • e-procurement (eg purchasing and supplier management applications)
	   • e-office (eg group email and scheduling applications)
	   • e-collaboration (eg project management and file sharing applications)
	   • e-commerce and m-commerce (eg shopping cart and mobile shopping applications).
	• e-business communications methods:
	   • verbal to include written and oral
	   • visual to include electronic resources.
	• e-business communications channels:
	   • email
	   • mobile telephone
	   • virtual meeting
	   • websites and blogs
	   • social media and social video
	   • cloud.
	• Market opportunities and threats, created by e-business communications technology, for small businesses.

Performance outcome 2: Plan an e-business strategy	
Existing business proposal information	• Sales forecast and target market customer profiles. • Competitors. • Unique sales proposition. • Customer value proposition.

Performance outcome 2: Plan an e–business strategy	

e-business external environment	• The e-business external environment:
	  • economic in relation to e-business market growth
	  • technological in relation to the development of e-business applications
	  • legal in relation to use of e-business applications
	  • social and ethical in relation to attitudes towards e-business applications.
	• Impact of the external environment on the use of e-business technologies and the ability of owners and employees to operate them.

e-business income streams	• Income streams for small businesses:
	  • advertising eg from pay-per-click advertising on website
	  • subscription eg monthly fee for accessing content within a website
	  • merchant eg operating as an online retailer or wholesaler
	  • direct sales eg selling directly to consumers through a website.
	• Use of e-business income streams considering:
	  • e-business model
	  • potential income
	  • cost of establishing the income stream.

e-business strategy	• Approach:
	  • e-business model
	  • e-business technologies and channels.
	• e-business income stream(s).
	• Ability of the strategy to create a competitive customer value proposition.

Performance outcome 3: Develop an e–business proposal	

Existing business proposal information	• Available:
	  • human resources and e-business skills
	  • physical resources and e-business capacity.
	• Indicative operations budget.

e-business applications	• Selecting relevant e-business applications and communication channels, to implement the e-business strategy, from:
	  • e-procurement
	  • e-office
	  • e-collaboration
	  • e-commerce
	  • m-commerce.
	• Outlines of e-business applications required by the e-business strategy:
	  • user screen mock-ups
	  • intended functionality
	  • required inputs and intended outputs.

Performance outcome 3: Develop an e-business proposal	
Internal and external stakeholder approval	- On: - outlines of e-business applications - channel choice. - Use of focus groups and interviews to gauge approval.
e-business proposal	- Components: - e-business applications to be used - business processes supported - hardware requirements - training and support for users. - Viability: - financial, in relation to cost of proposal compared with business proposal's operations budget - marketing, in relation to ability of the customer value proposition to support the business proposal's sales forecast.

Performance outcome 4: Recommend an e-Business implementation plan	
e-Business implementation plan	- Plan: - activities - sequence - timing - milestones - budgeting (personnel, equipment, finance). - Proposed metrics (measures of success) and how they will be used.
New business proposal information	- Possible impact of the implementation plan on the business proposal's outline: - outline plans - coherence. - Adjustments to the business proposal considering the possible impact of the e-Business implementation plan.

Grading criteria

Performance outcomes	Pass	Merit	Distinction
	To achieve a pass the learner must evidence that they can:	In addition to the pass criteria, to achieve a merit the learner must evidence that they can:	In addition to fulfilling the pass and merit criteria, to achieve a distinction the learner must evidence that they can:
PO1 **Investigate the e-business activities of small businesses**	**P1** (4 UMS points) Outline examples of e-business models used by **two** small businesses.	**M1** (4 UMS points) Analyse the benefits of e-business for the customer value proposition of the small businesses.	
	P2 (4 UMS points) Outline the use of e-business communications technology and channels by **two** small businesses.	**M2** (4 UMS points) Explain **two** market opportunities and **two** market threats, created by e-business technology, for each businesses.	**D1** (4 UMS points) Judge the significance of the market opportunities and threats, created by e-business technology, for **one** of the businesses.
PO2 **Plan an e-business strategy**	**P3** (4 UMS points) Identify existing information from the business proposal.		
	P4 (4 UMS points) Collect and collate information on the e-business external environment for the proposal.	**M3** (4 UMS points) Analyse the information to identify findings for the e-business strategy.	**D2** (4 UMS points) Justify the key findings necessary to the e-business strategy.
	P5 (4 UMS points) Collect and collate information on income streams that could be used by the e-business strategy.	**M4** (4 UMS points) Analyse the information to identify appropriate income streams for the e-business strategy.	
	P6 (4 UMS points) Outline the e-business strategy's approach and income stream(s).	**M5** (4 UMS points) Explain how the strategy could gain a competitive customer value proposition.	**D3** (4 UMS points) Evaluate the strategy's ability to create a competitive customer value proposition.

Performance outcomes	Pass	Merit	Distinction
	To achieve a pass the learner must evidence that they can:	In addition to the pass criteria, to achieve a merit the learner must evidence that they can:	In addition to fulfilling the pass and merit criteria, to achieve a distinction the learner must evidence that they can:
PO3 Develop an e-business proposal	**P7** (4 UMS points) Produce **four** outline e-business applications indicative of the e-business strategy.	**M6** (4 UMS points) Analyse information on stakeholder approval of the applications to identify findings for the e-business proposal.	**D4** (4 UMS points) Justify your choice of key findings to develop the e-business proposal.
	P8 (4 UMS points) Describe the components of the e-business proposal.	**M7** (4 UMS points) Explain the rationale of the e-business proposal.	**D5** (4 UMS points) Evaluate the viability of the e-business proposal.
PO4 Recommend an e-Business implementation plan	**P9** (4 UMS points) Produce an e-Business implementation plan for the business proposal.	**M8** (4 UMS points) Explain the metrics that might be used to monitor the outcomes of the e-Business implementation.	
	P10 (4 UMS points) Identify **four** possible impacts of the e-Business implementation plans on the business proposal.	**M9** (4 UMS points) Analyse adjustments to the business proposal, considering the possible impacts of the e-Business implementation plan.	**D6** (4 UMS points) Recommend and justify adjustments to the business proposal.
Total UMS for each grade	40	60	80

Assessment amplification

This unit develops the e-Business implementation aspects of the Business planning unit. Learners' e-business strategies (PO2), proposals (PO3) and e-Business implementation plans (PO4) should relate to their individual business proposals.

Small businesses are defined as those businesses operating with less than 50 employees and a turnover of less than £6.5 million.

In **P3** the information should be identified from learners' **existing** PO2 Business proposal unit evidence and should relate to the intended operations of the learners' business proposal.

In **P4** learners should collect information related to **all** four aspects of the e-business external environment relevant to the e-business strategy.

In **P7** the outline e-business applications should provide evidence of covering at least **three** of the following five groups of applications: e-procurement, e-office, e-collaboration, e-commerce and m-commerce.

In **P10** the possible impacts should relate to the business proposal's plans and/or its coherence.

Guided learning hours breakdown

	PO1	PO2	PO3	PO4	Total
Delivery time	9 hours	16 hours	12 hours	8 hours	45 hours
Assessment time	3 hours	6 hours	4 hours	2 hours	15 hours
Total	12 hours	22 hours	16 hours	10 hours	60 hours

Delivery guidance

PO1 Investigate the e-business activities of small businesses

Tutors should review with learners their understanding of their business proposal produced as part of their work in PO1 and PO2 of the Business proposal unit and outline how this proposal requires a detailed consideration of the e-business technologies, communication methods and communication channels available to support the business proposal. Tutors should explore with learners the meaning and scope of e-business, e-commerce and m-commerce and provide opportunities for them to investigate how these activities are carried out in a range of small businesses covering the range of e-business models including business-to-business.

Tutors should then discuss with learners the central role of the customer-value proposition (CVP) of each business and how the use of e-business enables each small business to enhance its CVP.

At this point, tutors should explore in detail with learners the technologies, communication methods and channels available to support small business e-business activities and how the use of intranets, extranets and the World Wide Web enable the potential of the internet to be realised. Tutors may need to place particular emphasis on the areas with which learners are likely to be less familiar, for example, e-procurement, e-office and e-collaboration.

Learners should explore how verbal and visual communication methods are used in each of the e-business communication channels (email; mobile telephone; virtual meeting; websites and blogs; social media and social video; Cloud). They should examine how the channel is selected and the factors that are taken into account when making that decision. Key concepts will include factors such as the audience, purpose and urgency of the communication. Learners should consider methods used to evaluate the success of communication from the perspective of both the sender and the receiver. They could also contemplate the impact of unsuccessful communication. Tutors could use a range of case studies, perhaps starting with their own learning establishment, so that the students are exposed to a wide range of requirements that give rise to different communications solutions.

Tutors should then review learners' understanding of how to analyse the opportunities and threats afforded by a business scenario; tutors should then enable learners to apply that understanding to the opportunities and threats that e-business communications technology bring to small businesses.

PO2 Plan an e-business strategy

Learners should begin their consideration of the e-business strategy by reviewing their business proposal carried out for the Business proposal unit. Tutors could use a case study of a local small business start-up to explain the importance of considering how:

- sales forecast and target market customer profiles
- competitors
- unique sales proposition
- customer value proposition
- available:
  - human resources and e-business skills
  - physical resources and e-business capacity

can all help to inform the choice of e-business strategy. For example, tutors could explore with learners how the age-profile of potential customers could influence the balance between e-commerce, m-commerce and telephone-based technologies to support marketing and selling activities.

Having considered some of the broader factors affecting their e-business planning, tutors should now begin to introduce to learners the detailed considerations required. Tutors should explore with learners how the external environmental factors covered in the Certificate units relate to e-business considerations; for example, how legal changes, such as data protection legislation, influence decisions about how to collect, store and process customer data. Tutors should discuss with learners how these external factors influence the choice of e-business technologies and how they are used by owners and employees.

Learners could trace the progress of e-business technologies by creating a timeline of key developments; they could separate the developments into categories as considered in PO1 (e procurement, e-office, e-collaboration; e-commerce and m-commerce). Learners should consider how the business they are planning in the Business proposal unit sits in the current of technological change. Learners could then identify some of those products and services that have arisen as a result of those developments. This could be presented as an infographic or as an electronic information system.

Learners could research 'e-business trends'. Focussing on recent trends, they would then be able to identify changes in business behaviour; they should then match those changes to the recent technological developments that have enabled them.

Tutors should work with learners to establish an understanding of the interaction of people with e-business. Learners will need to appreciate the perceptions of those who operate the business, as well as its potential customers. If learners are to plan an effective e-business strategy, they must have a clear appreciation of the skills and attitudes of those who will operate that business. Learners could investigate customer priorities and opinions in order that the e-business they plan meets their intended customers' expectations. They should use the outcomes to consider the importance of privacy, security, trust, ethics and confidence and the impact these will have on customer behaviour, together with the implications of not meeting those customer expectations; this will help the learner to establish the business' priorities and core values.

Learners should then consider how e-business can be used to generate income streams for a small business. Tutors should explore with learners the range of possible income streams and the technologies used to support them. Learners will be familiar with small businesses that rely on the revenue from selling products or services. Tutors should ensure that learners also understand the generation of income from advertising, along with the risks involved; learners should compare offline-style fixed fee advertising, cost per mile (CPM) advertising, pay-per-click (PPC) advertising, and affiliate marketing. Learners may have used subscription-based revision websites. In order to enhance their understanding of this income stream, they should compare the charging mechanisms for a number of such sites, considering both individuals and schools. They could extend their understanding by exploring the providers of similar services for professional examinations such as police, law, medicine and finance. Furthermore, they could examine the combinations with other advertising revenue streams; for example, subscription websites that also offer third-party advertising. Having explored the various income streams, learners should compare the benefits that each brings in terms of margins, predictability, retention, communication, feedback, momentum and data. They should also examine the start-up and maintenance costs and compare them with the income they generate.

Learners should then consider how the choice(s) of e-business model, the technologies and channels to be used and the ability of the strategy to create a competitive CVP can all influence the overall e-business strategy.

In order to plan their e-business strategy, learners should establish their e-business model; they should consider their framework for e procurement, communication, e-collaboration, e-commerce and m-commerce and how they will be combined. They could begin by using mind-mapping tools to

outline the initial vision in a holistic, diagrammatic style. The overview of their strategy will show how the elements of e-business will combine to generate income streams. Learners will incorporate their knowledge of e-communications from PO1 and apply it to the plans to generate income streams.

PO3 Develop an e-business proposal

Having considered their e-business model and the communication technologies and channels in their overall e-business strategy in PO2, learners will now switch their focus towards beginning to develop a specific e-business proposal for their business. Assessing the starting point for the proposal, the learner should identify the people that will be involved and audit the skills and experience that will be immediately available. At a later stage the learner will be able to match them to the business' requirements in order to develop a training plan to address any shortfalls. Similarly, the learner should record the hardware and any other physical resources that will be available, thus enabling the learner to identify the range and volume of business activity that is manageable and any further additions that would be required.

Setting a budget at this stage will provide an opportunity to assess the financial viability of their eventual proposal.

Tutors should review with learners their understanding of the main e-business communication channels and applications (systems) covered in PO1. Learners should now make decisions as to which applications are suitable for their business. Having considered the applications to be used, tutors should discuss with learners how to secure stakeholder approval for the use of the applications.

Learners should select from the technologies covered in PO1 and in the outline of their e-business model. Although this is an opportunity for the learners to showcase their skills, the value of exposure to, and research into, professional examples of solutions in similar fields cannot be overestimated. Analysis of the reasons for the success of professional documents and interfaces should inspire students to emulate the most effective features they have seen and hence produce high quality solutions. Learners should develop mock-ups of the user interfaces for their system. Each screen mock-up should be accompanied with details of each input, the process and functionality that follows, together with the outputs that will be generated. Once learners have developed their initial solutions, they will need to elicit the views of stakeholders.

Tutors should review with learners their understanding of how to test ideas with stakeholders, including the use of focus groups and interviews to gauge approval to enable learners to make appropriate choices when seeking stakeholder approval and analysing the information obtained. Tutors should provide learners with case studies designed to enable them to analyse stakeholder feedback and evaluate the extent to which the proposal is both supported by the feedback and requires modifying. Learners should plan their use of focus groups and interviews, producing documentation to record the stakeholders' views of each aspect of the solution to facilitate its effective analysis. This will involve breaking down the system into its component elements so that the feedback covers all aspects and so that it can be assimilated into those elements. Learners should consider whether running the focus group(s) themselves would lead to genuinely objective views. Similarly, they should choose the composition of the focus group(s) carefully so that it (they) represent the stakeholders accurately.

Learners should reflect on the information gleaned from the testing phase; it may be that the opinions will be consistent and the learner may follow their guidance. Alternatively, there may be conflicting opinions and the learner will have to make judgements, based on sound reasoning, about what is appropriate and feasible to adopt. Ultimately, the learner should develop their final e-business proposal based on their original model and strategy, in the light of their stakeholder testing so that it delivers their competitive customer value proposition. With a clear plan of the applications that will be used, the learners will then return to their original list of human and physical resources, recommending any training needs for operating personnel; the support that will be required; and any additional hardware and equipment that will be necessary to implement the proposal in its entirety.

Tutors should introduce to learners the requirements of the e-business proposal; firstly by considering the main components of a proposal and secondly by exploring with learners how the viability of a proposal could be analysed. Time should be taken to ensure learners have an opportunity to analyse case study data covering proposed e-business applications in existing or start-up businesses.

With training and support plans, together with hardware and equipment requirements, the learners will need to establish the costs of making the plan work, before returning to their budget to consider any shortfall and making decisions about how to address the situation. Having ascertained the financial implications of the proposal, learners should then consider the potential of the business to produce the sales to generate sufficient income to warrant the proposed investment in additional resources. Hence they will be able to assess the financial viability of the proposal.

PO4 Recommend an e-Business implementation plan

Learners should now turn their attention to how an e-business proposal could be implemented.

Tutors should outline to learners the components of an implementation plan and review their understanding of the importance and requirements of each component. For example, tutors could review with learners their understanding of the importance of milestones and deadlines and how these can be used to help determine critical activities and float times. Learners could explore how local organisations have planned and implemented similar projects before considering the implications for the implementation of their own e-business proposal.

Tutors should then explore with learners the importance of monitoring plans and establishing clear criteria to judge whether or not the plans are being implemented appropriately. Learners could explore how metrics are used by local businesses to monitor the implementation of new projects.

Having considered these issues, learners will be in a position to ensure that their e-business strategy, proposal and implementation plans are complete.

Tutors should then explore with learners how the issues that arise when planning to implement a change can themselves have an impact on different business activities. For example, tutors could explore how delays in implementing new technologies can impact on marketing and operational activities as well as causing financial problems.

To conclude this unit, learners should consider how their e-business proposals will impact on the marketing, operational and financial plans produced in PO2 of the Business proposal unit. This will enable learners to make any necessary adjustments to these plans when they return to the Business proposal unit.

Opportunities for synoptic teaching and learning

This section identifies for tutors and learners opportunities for developing links in teaching and learning with other units in the qualification.

Performance outcome	Links to other Extended Certificate units
PO1 e-business models	None.
PO1 e-business communications technology	Developing a business proposal PO3: methods and channels of communication.

Performance outcome	Links to other Extended Certificate units
PO2 Existing business proposal information	Managing and leading people AO2: in relation to organisational structure and impact on available human resources and e-business skills. Developing a business proposal PO2: using research findings to inform the e-business strategy.
PO2 e-business external environment	Managing and leading people AO1: meaning of changing environment and its significance for the use of e-business technologies
PO2 e-business income streams	Developing a business proposal PO2: in relation to research findings and marketing plan key components indicating potential income streams
PO2 e-business strategy	Managing and leading people AO1: in relation to management roles, decision-making and problem-solving when selecting an e-business strategy. Managing and leading people AO1: importance of vision when selecting an e-business strategy. Developing a business proposal PO1: using mind maps as a tool for planning and strategy. Developing a business proposal PO1: using decision-making tools for planning and strategy.
PO3 Existing business proposal information	Managing and leading people AO2: in relation to organisational structure and available human physical resources available for the e-business proposal. Developing a business proposal PO2: using research findings to inform the e-business proposal.
PO3 e-business applications	None.
PO3 internal and external stakeholder approval	Managing and leading people AO4: factors resisting organisational change in relation to internal stakeholder opinions and approval. Developing a business proposal PO3: methods and channels of communication in relation to draft materials.
PO3 e-business proposal	Managing and leading people AO2: factors affecting team performance in relation to the e-business proposal and its components (eg training and support of users). Managing and leading people AO4: in relation to components of the e-business proposal by considering internal stakeholder views in relation to ADKAR factors.
PO4 e-Business implementation plan	Managing and leading people AO1: in relation to management roles, decision-making and problem-solving when scheduling an e-Business implementation plan.
PO4 New business proposal information	Developing a business proposal PO2: using research findings to outline coherent marketing, operations, human resources and financial plans (coherence).

Performance outcome	Links to Certificate units
PO1 e-business models	Business dynamics PO1: business markets, vision and aims in relation to e-business models. Entrepreneurial opportunities PO2: customer value proposition in relation to e-business models and the customer value proposition.
PO1 e-business communications technology	Business dynamics PO4: external opportunities and threats.
PO2 Existing business proposal information	Financial planning and analysis AO2: interpreting financial information to inform event planning.
PO2 e-business external environment	Business dynamics PO4: external opportunities and threats.
PO2 e-business income streams	Entrepreneurial opportunities PO1: enterprising behaviour in relation to potential income steams Entrepreneurial opportunities PO1: innovation, risk and uncertainty in relation to potential income steams.
PO2 e-business strategy	Business dynamics PO2: competitive advantage in relation to the meaning of a competitive customer value proposition. Business dynamics PO3: competitive position in relation to the meaning of competitors. Entrepreneurial opportunities PO2: customer value proposition in relation to the e-business strategy. Entrepreneurial opportunities PO3: marketing activities as they inform the e-business strategy. Entrepreneurial opportunities PO3: operations activities as they inform the e-business strategy.
PO3 Existing business proposal information	Financial planning and analysis AO2: interpreting financial information to inform event planning.
PO3 e-business applications	None.
PO3 Internal and external stakeholder approval	Business dynamics PO1: stakeholders and ownership in relation to meaning of stakeholder groups when seeking stakeholder approval on e-business proposal.
PO3 e-business proposal	Financial planning and analysis AO3: e-business proposal in relation to financial viability. Entrepreneurial opportunities PO2: customer value proposition in relation to the viability of the e-business proposal. Entrepreneurial opportunities PO3: viable personal enterprise as it informs the e-business strategy.

Performance outcome	Links to Certificate units
PO4 e-Business implementation plan	Financial planning and analysis AO3: budgets (cashflow); spreadsheets (producing a budget).
PO4 New business proposal information	Financial planning and analysis AO4: assessing financial information to inform changes to the business proposals' outline plans. Business dynamics PO4: SWOT analysis in relation to identifying new business proposal information.

Resources

Internet enabled computers to research:

- potential e-business applications for their business
- costs and implications of using e-business applications for their own business.

Access to small business organisations which use e-business to support business activities.

Appropriate IT to enable user screen mock-ups to be produced.

Useful links and publications

- Chaffey, *Digital Business and E-Commerce Management,* ISBN-13: 978-0273786542 Pearson, 6th edition, 2014
- Reynolds J, *E-business A Management Perspective,* ISBN: 9780199216482, OUP, 2009
- Spencer D, McNee S, Rees C (series editor), *AQA Information and Communication Technology AS,* (Student Book), ISBN: 9780748799077, Nelson Thornes
- Spencer D, McNee S, Rees C (series editor), *AQA Information and Communication Technology A2,* (Student Book), ISBN: 9780748799084, Nelson Thornes.

PO1 Investigating the e-business activities of small businesses

- prudens.com/patens/ebusiness/busmodel.html
- yourbusiness.azcentral.com/types-ebusiness-models-1144.html
- smallbusinesscomputing.com/biztools/10-small-business-technology-trends-for-2015.html

PO2 Planning an e-business strategy

- sbinformation.about.com/od/ecommerce/a/how-to-use-technology-in-your-small-business.htm
- theguardian.com/small-business-network/2013/aug/29/social-media-boost-business-tips
- entrepreneur.com/article/62280
- entrepreneur.com/article/170460

PO3 Developing an e-business proposal

- bbc.co.uk/news/technology-31039137
- toolkit.smallbiz.nsw.gov.au/part/15/75/324
- economywatch.com/business/e-business-strategy.html

PO4 Recommending an e-business implementation plan

- levlafayette.com/node/265
- theguardian.com/society/2011/sep/22/nhs-it-project-abandoned
- news.bbc.co.uk/1/hi/uk/1993586.stm
- pcworld.com/article/201887/google_apps_project_delays_highlight_cloud_security_concerns.html

11.7 Unit 7: Managing an event

Title	Managing an event
Unit type	Optional
Unit assessment type	Internally assessed
Recommended assessment method	Practical assignment
Guided learning hours	60
Transferable skill(s)*	• Research • Communication • Problem-solving • Teamwork *There are opportunities to develop and assess the above transferable skills in the delivery of this unit.

Aim and purpose

In this unit, you will investigate the processes required to plan for, coordinate and manage, a one-off event. This event will be related to your business proposal. You will review the success of the event and how your business proposal is modified by the experience of planning and delivering the event.

Unit introduction

In this unit, you will study the skills required when planning an event, such as considering the type of event, the importance of setting clear objectives and how best to organise the resources needed by an event, recognising constraining factors such as time and budget constraints.

This is a practical unit requiring an actual event to be run. In planning for and managing the event, you will work as part of a team. The contribution the team makes to the effectiveness of planning and running the event will be considered. Finally, you will review the event and make appropriate adjustments to your business proposal based on the insights gained when delivering your event.

Performance outcomes

Learners will be able to:

Performance outcome 1:	Investigate events delivered by small businesses.
Performance outcome 2:	Plan an event.
Performance outcome 3:	Deliver the event.
Performance outcome 4:	Review the event.

Unit content

Performance outcome 1: Investigate events delivered by small businesses	

Events and target audiences	• Purpose of event:
	  • market research eg gauging interest in potential products
	  • launch eg opening a new branch
	  • promotion eg of new products
	  • sales eg increasing sales of existing products
	  • PR exercise eg for fundraising of not for profit business.
	• Communication methods:
	  • verbal eg written eg through Twitter, oral eg through YouTube
	  • non-verbal eg presenter body language and tone
	  • visual eg illustrations on a Facebook page, graphic design on a website and use of electronic resources such as video.
	• Communication channels:
	  • traditional eg local publications, radio, face-to-face
	  • modern eg email, websites, blogs, social media, social video.
	• Characteristics:
	  • duration
	  • location
	  • scheduling activities
	  • key stakeholders.
	• Target audience:
	  • profile
	  • potential reach.

Resource management	• Human resources:
	  • staffing the event
	  • event management team
	  • skills and training.
	• Physical resources:
	  • communication materials
	  • communication equipment
	  • other event materials.
	• Resource management:
	  • management of costs within given budgets
	  • leadership and management of human resources
	  • procurement and management of physical resources
	  • importance of resource management for event success.

Performance outcome 2: Plan an event	
Existing business planning information from business proposals	• Sales forecast and target market customer profiles. • Competitor information. • Unique sales propositions. • Customer value propositions.

Performance outcome 2: Plan an event	
Event research	• Primary purpose of the event. • Profile of the event target audience. • Key stakeholder requirements. • Desired outcomes of the event. • Agreed indicative budget.

Target audience preferences	• Communication methods and channels.
	• Event:
	  • location
	  • activities
	  • duration.

Event characteristics	• Considering:
	  • existing relevant business planning information
	  • primary purpose of the event
	  • target audience preferences
	  • competitors' use of events.

Event plan	• Primary purpose of the event. • Event characteristics. • Key event outcomes. • Event risk assessment. • Chosen methods of promoting the event. • Working plan of the event. • Ability to achieve the primary purpose of the event.

Performance outcome 3: Deliver the event	

Event resources	• Human:
	  • team roles and objectives
	  • skills and responsibilities
	  • necessary training
	  • external personnel.
	• Physical:
	  • venue related eg booking, signs, liaising
	  • supplier related eg procuring, storing and transporting resources.
	• Relevant risk management and legislative requirements eg health and safety, insurance, risk assessment.
	• Draft communication materials required by the event.

Target audience approval	• On draft communication materials.
	• Use of focus groups and interviews to gauge approval.
	• Developing communications content and activities used to deliver the event, considering the:
	  • event plan
	  • target market approval
	  • event budget
	  • need to gather audience feedback.

Performance outcome 3: Deliver the event	
Event delivery	• Ensuring availability of key resources required by own role. • Contributing to agreed timing and sequencing of activities. • Performing own role and responsibilities. • Assisting in gathering audience feedback. • Contributing to and promoting effective teamwork. • Managing relationships within the team.

Performance outcome 4: Review the event	

Evaluating event delivery	• Achievement of:
	  • event's primary purpose
	  • key event outcomes
	  • risk minimisation
	  • team roles and responsibilities
	  • effective teamwork
	  • effective leadership.

New business planning information	• Possible impact of insights gained from planning and delivering the event on the business proposal's outline:
	  • outline plans
	  • coherence.
	• Adjustments to the business proposal considering the impact of the insights gained.

Grading criteria

Performance outcomes	Pass	Merit	Distinction
	To achieve a pass the learner must evidence that they can:	**In addition to the pass criteria, to achieve a merit the learner must evidence that they can:**	**In addition to fulfilling the pass and merit criteria, to achieve a distinction the learner must evidence that they can:**
PO1 Investigate events delivered by small businesses	**P1** (4 UMS points) Outline **two** events delivered by small businesses.	**M1** (4 UMS points) Analyse the effectiveness of the communication methods and channels used by **one** of the events.	
	P2 (4 UMS points) Outline the resource requirements of **two** events delivered by small businesses.	**M2** (4 UMS points) Explain the ways in which resources were managed in each event.	**D1** (4 UMS points) Judge the significance of resource management for the success of the events.

Performance outcomes	Pass	Merit	Distinction
	To achieve a pass the learner must evidence that they can:	**In addition to the pass criteria, to achieve a merit the learner must evidence that they can:**	**In addition to fulfilling the pass and merit criteria, to achieve a distinction the learner must evidence that they can:**
PO2 **Plan an event**	**P3** (4 UMS points) Identify existing information from the business proposal.		
	P4 (4 UMS points) Collect and collate information on event and target audience preferences.	**M3** (4 UMS points) Analyse the information to identify findings for the event plan.	**D2** (4 UMS points) Justify the key findings necessary for the event plan.
	P5 (4 UMS points) Collect and collate information on event characteristics to inform the event plan.	**M4** (4 UMS points) Analyse the information to identify appropriate event characteristics.	
	P6 (4 UMS points) Complete an event plan.	**M5** (4 UMS points) Explain how the event plan could achieve the primary purpose of the event.	**D3** (4 UMS points) Evaluate the event plan's ability to achieve its primary purpose.
PO3 **Deliver the event**	**P7** (4 UMS points) Produce **four** draft communication materials required by the event.	**M6** (4 UMS points) Analyse information on target market approval of the draft materials to identify relevant findings for the event delivery.	**D4** (4 UMS points) Justify your choice of key findings in order to successfully deliver the event.
	P8 (4 UMS points) Complete own role and responsibilities during the delivery of the event, providing three different examples.	**M7** (4 UMS points) Contribute to effective teamwork and cooperate with others during delivery of the event.	**D5** (4 UMS points) Demonstrate contribution towards managing relationships within the team during delivery of the event.

Performance outcomes	Pass	Merit	Distinction
	To achieve a pass the learner must evidence that they can:	**In addition to the pass criteria, to achieve a merit the learner must evidence that they can:**	**In addition to fulfilling the pass and merit criteria, to achieve a distinction the learner must evidence that they can:**
PO4 **Review the event**	**P9** (4 UMS points) Outline the outcomes of the event, the extent to which risk was minimised and the event's primary purpose was achieved.	**M8** (4 UMS points) Explain how team roles, specific responsibilities and teamwork contributed to the achievement of the event's primary purpose.	
	P10 (4 UMS points) Identify **four** impacts of insights gained from planning and delivering the event on own business proposal.	**M9** (4 UMS points) Analyse adjustments to the business proposal, considering impact of insights gained from planning and delivering the event.	**D6** (4 UMS points) Recommend and justify adjustments to the business proposal.
Total UMS for each grade	40	60	80

Assessment amplification

This unit develops the marketing and operations aspects of the Business proposal unit. The event plan (PO2) and delivery (PO3) will collectively relate to each individual team member's business proposal. The review (PO4) will help to inform adjustments to learners' business proposals individually.

The event must be strictly related to a small business. The context can be profit or non-profit.

In **P1** and **P2** the events could have been delivered by a single business.

In **P3** and **P4** learners will refer back to the business proposal they selected in the Business proposal unit. This will include information on the target audience in order to identify key information on the event characteristics.

In **P5** checklists may be used in order to inform the relevant event characteristics.

In **P6** relevant software can be used as an event-planning tool. Learners may, for example, present a Gantt chart including all activities, timings and key allocations.

In **P7** draft communication material can be produced using a variety of software or other relevant material or sources depending on the choices made.

In **M6** feedback may be gathered from the target market through use of a focus group, questionnaire, survey, or online blog for example, to establish their thoughts on the draft materials produced in **P7**.

Relevant findings for the event delivery can be identified from this feedback.

In **P8** each team role will be assigned and could be in the form of an individual job/role description and associated person specification for the role. The evidence must support three separate occasions

when individual team members demonstrated different aspects of their ability to contribute to team performance during the event.

Whilst **PO2** (planning) and **PO3** (delivery) are done by each learner as a part of a team, it is important that each learner can individually satisfy the requirements of each performance criteria. To ensure this, each learner should keep a personal journal/reflective log that records their individual contributions to the team plan and its delivery, and can be used to satisfy the individual performance criteria of PO2 and 3. Tutors should consider how the personal journal/reflective log is best used alongside the generation of relevant, team evidence.

Broader team evidence for **PO2** (planning) and **PO3** (delivery) could include: agendas, team meeting minutes/notes, project logs, team plans and monitoring documents, emails between team members, observation sheets from peers or attendees to the event, witness testimony from teachers, minutes of meetings held by the team, webcam observation. Learners could also produce their own form of customer satisfaction survey that can be carried out during the event to gain feedback on performance against outcomes from the attendees and target audience. Each learner should retain as evidence a copy of the relevant team evidence (eg a team checklist of event characteristics).

In **P9**, learners could produce a report in order to review the extent to which the event met outcomes with accompanying improvements for future events to be run.

In **M8**, learners will consider the impact of team roles, responsibilities, managing relationships and teamwork on the outcomes of the event, using evidence collected in P8. Evidence could form the second section of a report (if a report format is used for **P9**), or a separate reflective log, for example.

In **D5**, this could be a continuation of the report (third section) or, again, a part of a separate reflective log. This will rely on the supporting evidence from the event (evidence collected for **P8**).

In **P10**, learners will reflect on their individual business proposals within the Business proposal unit and recommend adjustments based on findings from this unit.

Guided learning hours breakdown

	P01	P02	P03	P04	Total
Delivery time	9 hours	16 hours	12 hours	8 hours	45 hours
Assessment time	3 hours	6 hours	4 hours	2 hours	15 hours
Total	12 hours	22 hours	16 hours	10 hours	60 hours

Delivery guidance

PO1 Investigate events delivered by small business

In preparation for the unit, tutors should use examples of different events in order to provide an initial focus and introduction to the various types of event that can be run. Tutors could, for example, ask learners to consider events that have been organised by their school, college or academy (eg, sixth form options' evening, open day, sports day, mooting competition, enterprise event) or an event run by a local business or community group (eg promotional event for a pop-up shop, experiential marketing, one-off marketing activities, fund raising event).

Classroom-based activities can then focus on one of these event ideas. Tutors can ask learners to reflect on the purpose of the event and their target audience. This may be part of a group exercise, each group having a different event idea to consider and then give feedback to the rest of the group. This will highlight a wide range of event types (P1), assisting in their selection of an event idea.

Learners should be given the time to consider at least two events delivered by small businesses

for PO1. The events can be from the same business. Learners can then be introduced to resource requirements. Examples can be provided on a checklist, which learners can use to help with completion of P2, and later to refer back to when collecting information on event characteristics to inform their own event plan in P5.

In terms of resource management, learners will need to understand the key resource implications for running events. Tutors may introduce this by building on the example of an event used to introduce the unit. A number of cards could be prepared, each listing a resource that would need to be considered in planning an event. Many of these can be found across a range of publications relating to event planning (see Suggested resources section). In teams, learners can use the cards to reflect on which of these resources would be considered for their example of an event, discounting others that are deemed not relevant to the example they have. These could be then placed under headings – for example:

- Operational resources – all the physical resources required for the event. This will include the venue, the equipment required, parking, signage, resources needed within the event venue, catering, any licence requirements, health and safety regulations, emergency access routes, control points, fire procedures – all will form part of key risk assessments which must be considered prior to the event being run.
- Financial resources – the budget available based on the financial information presented in the business proposal, costing sheets, cash handling and cash security procedures.
- Marketing resources – how the event will be marketed, communication method and channel, eg programme for the event, advertising methods and channels, ticketing issues.
- Human resources – the staffing of the event, team requirements, key skills needed, training requirements, team development and running and coordinating the event.

The cards can be mounted to form a display to act as a visual learning aid for learners in completion of P2. Groups can give feedback on why these resources are necessary in the planning and running of the event. Having worked through an example of one event within their groups, learners can be directed to the criteria in order to complete P2, using the information gathered from the group activity and from relevant checklists provided to help them identify resource requirements of two events.

PO2 Plan an event

Tutors can remind learners of the integrated nature of the Extended Certificate, ie the optional unit will be completed within the context of the learner's own business proposal. Tutors will need to ensure learners are working as part of a team for PO2 and PO3.

Tutors can then outline the nature and scope of requirement of PO2. It will be helpful if tutors suggest a method such as completion of a reflective log/personal journal to update throughout the planning and delivery of the event which will be helpful in ensuring that learners have individual evidence to meet the performance criteria as well as team evidence. Further examples of relevant team evidence formats are indicated in the Assessment amplification section.

Learners will need to reflect on their individual business proposals in order to decide on an appropriate small size event that can be run by the team. Relevant information from this will contribute to the P3 requirement. The decision on an appropriate event to run will be dependent on a number of factors, for example:

- whether a small scale event is appropriate
- availability of a suitable venue
- sufficient resources in terms of timing available to plan and run the event within the budget available (a sensible budget decision will need to be made by the teacher)
- whether the event enables input by each member of the team
- consideration of how the event will help to inform aspects of their individual business plan, to provide a coherent link to the Business proposal unit.

Any risks or uncertainties would need to be considered, mapping scenarios and potential solutions to make a considered decision on which event to go ahead with. This will provide information for reflection within PO4.

Learners will need to work as part of a team for planning and delivery of the event. It is at this point that team work should begin. Learners will need to collect and collate relevant information on preferences for the event and on research into the target audiences' preferences. This will form evidence for P4. In terms of organising the selected event, the overall outcome or purpose of the event will need to be made clear from the outset. This will include consideration of who the event is aimed at (profile of the target audience).

Examples may include: a publicity event, promotional event, information giving event, fundraising event, opening event, taster day event, stall at local festival or exhibition, enterprise event, sales pitch to shareholders event – or any other small scale event.

Learners may at this point decide to review information findings in P4 to analyse the information and justify the choices made for their event plan (for M3 and D2 criteria).

Learners should then progress in their team to make relevant planning decisions and research the relevant factors involved in running the event. This information will help them to complete P5. Evidence for research can be presented in the form of team research findings. It is important that team research findings are accessible to all members of the team so that each learner can use the findings to present evidence within their own portfolio. It is also important that learners keep their reflective log/personal journal up to date.

For the event plan, tutors may find it helpful to use checklists in order for learners to brainstorm the requirements of their event prior to setting out their project plan. The information collected here will form part of P5, and, ultimately, P6 the event plan.

Examples of event characteristics may include:
- Location of the event, its size, accessibility, availability, signage, parking, budget available.
- Advertising of the event – lead time, programmes, licensing and restrictions, any necessary approvals required, overall lead time needed prior to event being run, when to advertise, pricing, tickets, budget available, programme, packaging of the event.
- Transportation – parking, how people will arrive, permits required, staff parking, traffic management, traffic flow, parking attendants.
- Guest arrival – entrance, wheelchair accessibility, walkways kept clear, any special arrival activities required, cloakroom, personal rest areas, signposting.
- Venue – set up, layout of the area, refreshments available, key utilities available, equipment required, audio visual presentations, stands, banners, flip charts, lighting, ICT access, telephones, cleaning, rubbish bins and removal of waste, fire regulations, noise restrictions.
- Timing of activities is critical in ensuring the event is successfully run. This is again where project management is helpful. Holding meetings and producing minutes which record outcomes and decisions made will be helpful in the analysis of the effectiveness of the event and of the team.
- Consideration of the target audience – guest list, numbers, invitations, publicity.
- Other considerations – security, media coverage, catering, coffee breaks, entertainment contracts, cash requirements, photography, any other needs, any other special effects or final touches required.

There are many such 'checklists' and examples available that learners can use in order to generate their own list of specific resources required for their own event. Having gathered this information, in their teams, learners can then decide on relevant characteristics of their own event plan (P5). The evidence for this may be their own 'checklist', providing relevant information for their event plan. Evidence must be accessible to each learner, to include in their individual portfolio.

At this point, individually, learners should analyse the information further on an individual basis (M4).

In terms of the event plan, (P6), learners will produce the event plan in their team. It will be helpful for learners to have access to relevant software in order to compile a working plan of the event and coordinate activities, eg, Gantt chart or other event planning software. The evidence of the event plan must be accessible to each member of the team to include in their own evidence.

Individually, learners may at this point look at completing M5 and D3, examining the likely success of the event plan in achieving its desired objectives.

PO3 Deliver the event

Tutors will need to ensure that the event plans can be delivered within the resources and time available. Learners should be reminded to maintain suitable monitoring documentation to record the key roles and objectives of the team and other relevant information to complete the performance criteria. Examples of monitoring documentation to use as evidence are listed in the assessment amplification section.

Learners will need to consider the resources required in order to run the event. This will include the physical and human resource requirements. An outline of the physical resources will include those relating to the venue itself, and those which are supplier related. There will be consideration of risks associated with running the event and any key legislative requirements. This information will contribute to P7.

Four draft communication materials required by the event will need to be produced. Communication materials may be verbal, non-verbal or visual. The materials and channels selected will need to be appropriate to the type of event being delivered, and meet the needs of the target audience. The materials may be produced as a group or individual contributions to the group, but all four drafts must be accessible to each team member for their own portfolio. Each individual learner should clearly indicate their contribution to the materials produced.

In order to examine the potential for success, learners will need to survey the extent to which the draft materials meet the needs of the target market. In order to gather this information, learners will relate to the information on the target market from their business proposals, together with feedback from the target audience gained. For example, each team may decide to hold a focus group where the draft materials are discussed and views on them recorded, ultimately to make appropriate adjustments (and to inform individual work on M6 and D4 criteria).

Learners may need input on team development at this point to establish the requirements of good teamwork, and how to put an effective team together. Learners may benefit from conducting a self-assessment of their own skills and attributes which they may be able to bring to the team, contributing to successful management of the event.

In their teams, learners will need to define and draw up tasks and responsibilities for running the event. These will need to be allocated amongst individual team members, based on their personal characteristics and what they may be able to offer to the team.

It is essential that team members are fully aware of their individual responsibilities and roles in order for the event to run smoothly. There will need to be clear checklists and schedules available for the event. Teams will need to ensure they are clear on what is expected of them in terms of their performance. Thus, in addition to the overall plan (or Gantt chart), individual schedules or activity sheets will be helpful to the team.

In order to record necessary evidence during the event, an introduction to the importance and purpose of monitoring documents needs to be shared with learners.

A range of forms of evidence (for criteria P8, M7 and D5), can be used (examples are provided in the Assessment amplification). Throughout the event, learners can be directed to review their own and others' performance compared to the roles allocated through the use of their reflective log/personal journal. Effective teamwork can be considered from observers' views by gathering feedback from the

target audience and peers. For P8, the evidence must support three separate occasions when individual team members demonstrated different aspects of their ability to contribute to team performance during the event.

Learners will need time to ensure their event plans are complete and teams are fully supported through the actual event set up, delivery and review. The timing of this is crucial, as the actual event needs to go ahead. During the event, learners will consider whether they are meeting the key requirements of their own role, the extent they contribute to the agreed timing and sequencing of the event plan and the extent to which they contribute to and promote effective teamwork.

PO4 Review the event

Learners will need time to review all their materials to reflect and gain insight on the event and consider four impacts gained on their individual business proposals.

Tutors can suggest that outcomes of the event can be measured in various ways, for example:
- from the perspective of the attendees of the event, the impact on the target audience (eg through a focus group) or relevant customer survey
- from the perspective of peers and critical self-review on individual and team performance in managing the event, the success and failures of the team and the management of relationships within the team have been demonstrated
- from the extent to which outcomes are met and finance targets adhered to
- from review of the risk management undertaken prior to running the event.

Following reflection of these key areas, in order to complete P9, learners can produce a report where they can outline the outcomes of the event, the extent risks were minimised and the extent to which the event's primary purpose was achieved.

Learners may benefit from reviewing the outcomes of their event within their teams in order to complete M8, with feedback from teachers or other observers that were present. The monitoring documentation kept during the event can be used to reflect on the teams' performance, considering the impact of team roles and responsibilities, managing relationships and the achievement of the event objectives. It may be helpful to provide a guide or some structure to support learners in this task, as potentially this can be a confusing process for learners. Evidence, for example, can be part of a report, or a part of their reflective log.

In terms of their contribution towards managing relationships within the team (D5 criteria), the same monitoring documents can be used, from which they can extract specific examples of when they demonstrated effective management of relationships within the team. This may be in terms of the emotional intelligence model. Learners will need to research how this is identified. It may be useful for learners to carry out a self-survey (both are available online, see Useful links and resources).

In order to establish individual strengths and weaknesses, individual members of the team may display this quality in a variety of ways. For example, this may be through development and support of the team and individual members within it; it may be through consideration of the overall well-being of the team, self-awareness, self-regulation and good social skills. Also, it may be through the motivation they have shown in the team during the event. Evidence for D5 may, for example, form part of a report or be a part of a reflective log.

For P10, they will identify four impacts of insights gained from planning and delivering the event on their individual business proposal. The impacts may be considered in terms of the marketing, operational and/or finance plan sections of the learners' individual business proposal. Insights gained from running the event can be used to adjust and inform their individual business proposal in the Business proposal unit in order to develop a cohesive plan.

Opportunities for synoptic teaching and learning

This section identifies for tutors and learners opportunities for developing links in teaching and learning with other units in the qualification.

Performance outcome	Links to other Extended Certificate units
PO1 Events and target audiences	Developing a business proposal PO3: methods and channels of communication
PO1 Resource management	Managing and leading people AO1: roles of management as related to resource management.
	Managing and leading people AO1: leadership as it relates to resource management.
	Managing and leading people AO2: organisational structure in relation to where decisions are made and communication within the event management team.
	Managing and leading people AO2: factors affecting motivation in relation to leadership and management.
	Managing and leading people AO2: factors affecting the performance of teams in relation structure and performance of the event management team.
	Managing and leading people AO3: empowerment in relation to the structure and performance of the event management team.
PO2 Existing business planning information	Developing a business proposal PO2: using research findings to inform the business proposal.
PO2 Event research	
PO2 Target audience preferences	
PO2 Event characteristics	
PO2 Event plan	Developing a business proposal PO1: mind maps and decision-making tools as a tool for planning.
	Managing and leading people AO1: planning role of managers.
	Managing and leading people AO1: leadership as it relates to creating a vision for the event.

Performance outcome	Links to other Extended Certificate units
PO3 Event resources	Managing and leading people AO1: organising role of managers.
	Managing and leading people AO1: leadership as it relates to building effective teams.
	Managing and leading people AO3: organisational structure in relation to where decisions are made and communication within the event management team.
	Managing and leading people AO2: factors affecting the performance of teams in relation to structure and performance of the event management team.
	Managing and leading people AO3: empowerment in relation to the structure and performance of the event management team.
PO3 Target audience approval	Developing a business proposal PO3: methods and channels of communication in relation to draft materials.
PO3 Event delivery	Managing and leading people AO1: monitoring role of managers.
	Managing and leading people AO1: leadership as it relates to managing relationships within the team.
	Managing and leading people AO2: factors affecting motivation in relation to leadership and management.
	Managing and leading people AO2: factors affecting the performance of teams in relation to structure and performance of the event management team.
	Managing and leading people AO3: empowerment in relation to the structure and performance of the event management team.
	Managing and leading people AO4: factors resisting change in relation to considering team performance.
	Managing and leading people AO4: ADKAR in relation to considering team performance.
PO4 Evaluating event delivery	Managing and leading people AO1: evaluating and reporting role of managers.
	Managing and leading people AO2: factors affecting the performance of teams in relation to structure and performance of the event management team.
	Managing and leading people AO3: empowerment in relation to the structure and performance of the event management team.
	Managing and leading people AO4: factors resisting change in relation to considering team performance.
	Managing and leading people AO4: ADKAR in relation to considering team performance.
PO4 New business planning information	Developing a business proposal PO2: using research findings to outline coherent marketing, operations, human resources and financial plans (coherence).

Performance outcome	Links to Certificate units
PO1 Events and target audiences	Business dynamics PO1: business markets, vision and aims in relation to meaning of a target audience.
PO1 Resource management	Business dynamics PO1: business organisation in relation to need for resource management. Business dynamics PO2: recruitment in relation to identifying human resource requirements. Entrepreneurial opportunities PO2: support network in relation to resource management and dealing with relevant support groups.
PO2 Existing business planning information	Financial planning and analysis AO2: interpreting financial information to inform event planning.
PO2 Event research	Business dynamics PO1: stakeholders and ownership in relation to stakeholder requirements. Entrepreneurial opportunities PO2: customer value proposition in relation to informing the nature of event research and characteristics.
PO2 Target audience preferences	Entrepreneurial opportunities PO2: potential target markets in relation to event target audiences
PO2 Event characteristics	Business dynamics PO2: competitive advantage in relation to event characteristics
PO2 Event plan	Business dynamics PO2: competitive advantage in relation to event plan. Business dynamics PO3: competitive position in relation to all aspects of the event plan. Entrepreneurial opportunities PO3: operations activities in relation to operational aspects of planning the event.
PO3 Event resources	Business dynamics PO2: organisational types in relation to event team structure. Entrepreneurial opportunities PO1: Myers-Briggs in relation to event resource requirements (team roles, objectives, skills and responsibilities).
PO3 Target audience approval	None.
PO3 Event delivery	Business dynamics PO2: organisational types in relation to event team ability to deliver the event. Business dynamics PO3: management policies to improve competitive position in relation to event delivery and promoting effective teamwork. Entrepreneurial opportunities PO1: Myers-Briggs in relation to team work and event delivery. Entrepreneurial opportunities PO3: operations activities in relation to operational aspects of delivering the event. Entrepreneurial opportunities PO4: risks, uncertainties and contingencies in relation to risk assessment and minimisation.

Performance outcome	Links to Certificate units
PO4 Evaluating event delivery	Business dynamics PO4: internal strengths and weaknesses in relation to evaluating event delivery. Entrepreneurial opportunities PO4: risks, uncertainties and contingencies in relation to risk assessment and minimisation.
PO4 New business planning information	Financial planning and analysis AO4: assessing financial information to inform changes to the business proposals' outline plans. Business dynamics PO4: SWOT analysis in relation to identifying new business proposal information.

Resources

Access to computers (internet-enabled) in order to produce schedules, plans, budgets and the use of software for event planning and for producing event materials.

Useful links and resources

The following resources are useful throughout the Performance outcomes PO1 to PO4:

- mindtools.com

  this provides factsheets on relevant topics, such as managing conferences and events; team management; project management; communication skills; leadership skills

- smallbiztrends/2013/06/small-business-event-planning-tips.html

  article providing tips for producing a memorable small business event 2015

- Freedmann S, *Meeting & Event Planning for Dummies*, ISBN 978-0764538599, 2013
- Capell L, *Event Management for Dummies*, ISBN 978-1118591123, 2013
- Allen J, *Event Planning: the Ultimate Guide to successful meetings, corporate events, fundraising galas, conferences, conventions,* ISBN 978-0470155745, 2009
- Grayson H, *Special Events Planning for Non-profits,* KINDLE ASIN BOOWOSVXBA, 2015
- Johnson N, *Event Planning tips: The straight scoop on how to run a successful event,* KINDLE ASIN BOOJS1CSOM, 2014.

PO2 Plan an event

Also see resources listed above, covering PO1 to PO4.

- wildapricot.com

  article on event planning with a simple checklist template

- bbc.co.uk/safety/resources 2013

  guide to risk planning (although associated with the BBC, provides a useful insight)

- dummies.com/how-to/content/meeting-and-event-planning-for-dummies-cheat-sheet.html

  extract from the *Meeting & Event Planning for Dummies* book, provides simplified 'cheat' sheet to aid planning.

- Harris G, *Essential Event Planning Kit,* ISBN 978-0935047363, 2003
- Lindsey K, *Planning & Managing a Corporate Event,* ISBN 978-1845284619, 2011
- Gandolfo R, *Planning Corporate Events: A step by step guidebook,* ISBN 978-1503037137, 2014
- Evans S, *Become an Event Planner: The Three Necessary Steps to begin your event planning career,* KINDLE ASIN BOOERIN1ES.

PO3 Deliver the event

Also see resources listed above, covering PO1 to PO4.

- *The big book of tips: tips for special event planners,* KINDLE ASIN BOOW832P7C, 15/4/15
- projectsmart.co.uk/10-golden-rules-of-project-risk-management.php

  10 golden rules of project risk management

- phe.gov/about/amcg/toolkit/Documents/risk-management.pdf

  Guide and sample matrix for use in risk management

- hse.gov.uk/risk/

  resources on risk management and assessment including health and safety

- osha.europa.eu/en/topics/riskassessment/index_html

  European Agency for Health and Safety at Work

- humanresources.about.com/od/teambuilding/f/team_work.htm

  10 tips for successful teamwork

- businessballs.com

  range of resources eg:
  - people development and teamwork
  - emotional intelligence

- smallbusiness.chron.com

  small business blogs including:
  - good skills for teamwork
  - importance of teamwork

- the-happy-manager.com

  range of articles including student resources eg:
  - why is teamworking important
  - team bonding
  - team skills

- mindtools.com

  article on *Emotional Intelligence: Developing Strong People Skills*
  (includes self-assessment quiz to test your own EI).

PO4 Review the event

Also see resources listed above, covering PO1 to PO4.

- acas.org.uk/index

  ACAS advisory booklets available on a range of topics eg:
  - teamwork: success through people
  - what makes a good leader?

- surveymonkey.com/mp/event-planning-surveys/

  for tips on how to set up a survey

- eventmanagerblog.com/top-5-qualities/

  the top five qualities of a successful event manager.

11.8 Unit 8: Marketing communications

Title	Marketing communications
Unit type	Optional
Unit assessment type	Internally assessed
Recommended assessment method	Practical assignment
Guided learning hours	60
Transferable skill(s)*	• Research • Communication • Problem-solving *There are opportunities to develop and assess the above transferable skills in the delivery of this unit.

Aim and purpose

In this unit, you will investigate the use of marketing communications by small businesses, develop a marketing communications mix for your business proposal and recommend a schedule of marketing communications.

Unit introduction

Marketing communications are essential for any business wishing to attract and retain customers. In this unit, you will investigate the marketing communications delivered by small businesses, considering their use of traditional and modern marketing communications channels. You will then use information from your Business proposal unit assignment to plan a marketing communications strategy capable of supporting your business proposal. This will require you to investigate the buyer behaviour and communications preferences of your target market. You will also investigate how your potential competitors use traditional and modern marketing communications channels. You will then draft the communication materials needed to implement your strategy, testing these with representatives of your target market, and develop your marketing communications mix. Finally, you will recommend a schedule of marketing communications for your business proposal and make appropriate adjustments to the business proposal's outline plans and coherence.

Performance outcomes

Learners will be able to:

Performance outcome 1:	Investigate small business marketing communications.
Performance outcome 2:	Plan a marketing communications strategy.
Performance outcome 3:	Develop a marketing communications mix.
Performance outcome 4:	Recommend a schedule of marketing communications.

Unit content

Performance outcome 1: Investigate small business marketing communications	

Marketing communications	• Communicating with potential and existing customers.
	 • Verbal communication methods:
	  • written eg through Twitter
	  • oral eg through YouTube.
	 • Non-verbal communication methods:
	  • body language eg facial expressions and body posture
	  • paralanguage eg emotion, tone, appearance of speaker and use of cultural symbols.
	 • Visual communication methods:
	  • typography eg within a blog
	  • illustrations eg within a Facebook page
	  • graphic design eg use of colour and whitespace within a website
	  • electronic resources eg use of video and animation within a website.
	 • Message content:
	  • unique selling proposition
	  • customer value proposition.

Marketing communications channels	• Traditional channels:
	  • local publications and direct mail
	  • radio
	  • telephone
	  • sponsorship
	  • face-to-face.
	 • Modern channels:
	  • email
	  • websites and blogs
	  • social media and social video
	  • experiential marketing.
	 • Comparing traditional and modern channels:
	  • cost
	  • flexibility
	  • reach
	  • engagement.

Performance outcome 2: Plan a marketing communications strategy	
Existing business proposal information	• Sales forecast and target market customer profiles. • Competitors. • Unique sales proposition. • Customer value proposition.

Performance outcome 2: Plan a marketing communications strategy	

Target market characteristics	• Influences on behaviour:
	  • cultural (eg social class and cultural identities)
	  • social (eg reference and aspirational groups, family, social roles and status)
	  • personal (eg age, lifecycle stage, occupation, economic circumstances and lifestyle)
	  • psychological (eg hierarchy of needs, perception of self and others, beliefs and attitudes).
	• Decision-making processes:
	  • need recognition
	  • information search
	  • alternative evaluation
	  • purchase decision
	  • post-purchase behaviour.
	• Preferred marketing communications channels.

Message and channel options	• Considering:
	  • existing business planning information
	  • target market characteristics
	  • competitors' marketing communications messages and channel choices.

Marketing communications strategy	• Outbound or inbound approach. • Customer loyalty ladder. • Message choice. • Selected channels.

Performance outcome 3: Develop a marketing communications mix	

Existing business proposal information	• Available:
	  • human resources and communications skills
	  • physical resources and communications capacity.
	• Indicative marketing communications budget.

Communication materials	• Communication methods used. • Draft communication materials required by selected channels.

Target market approval	• On:
	  • draft communication materials
	  • channel choice.
	• Use of focus groups and interviews to gauge approval.

Marketing communications mix	• Communications content and channels used to deliver the content.
	• Cost of producing and delivering the content.
	• Coherent marketing communications mix:
	  • marketing communications strategy
	  • existing business planning information
	  • target market approval
	  • integrated use of channels
	  • message consistency.

Performance outcome 4: Recommend a schedule of marketing communications	

Schedule of marketing communications	• Schedule:
	    • channels
	    • sequence
	    • timing
	    • milestones
	    • budgeting.
	• Proposed metrics (measures of success) and how they will be used.

New business proposal information	• Possible impact of the marketing communications on the business proposal's:
	    • outline plans
	    • coherence.
	• Adjustments to the business proposal considering the impact of the marketing communications.

Grading criteria

Performance outcomes	Pass	Merit	Distinction
	To achieve a pass the learner must evidence that they can:	**In addition to the pass criteria, to achieve a merit the learner must evidence that they can:**	**In addition to fulfilling the pass and merit criteria, to achieve a distinction the learner must evidence that they can:**
PO1 **Investigate small business marketing communications**	**P1** (4 UMS points) Outline **two** examples of marketing communications delivered by small business.	**M1** (4 UMS points) Analyse the effectiveness of the message content of the marketing communications.	
	P2 (4 UMS points) Outline the use of traditional and modern channels within **two** marketing communications.	**M2** (4 UMS points) Explain the benefits of traditional and modern channels used by the marketing communications.	**D1** (4 UMS points) Judge the extent to which each marketing communication makes effective use of channels.

Performance outcomes	Pass	Merit	Distinction
	To achieve a pass the learner must evidence that they can:	In addition to the pass criteria, to achieve a merit the learner must evidence that they can:	In addition to fulfilling the pass and merit criteria, to achieve a distinction the learner must evidence that they can:
PO2 **Plan a marketing communications strategy**	**P3** (4 UMS points) Identify existing information from the business proposal.		
	P4 (4 UMS points) Collect and collate information on the characteristics of the business proposal's target market.	**M3** (4 UMS points) Analyse the information to identify findings for the marketing communications strategy.	**D2** (4 UMS points) Justify the key findings necessary to the marketing communications strategy.
	P5 (4 UMS points) Collect and collate information on message and channel options that could be used by the marketing communications strategy.	**M4** (4 UMS points) Analyse the information to identify appropriate messages and channel options for the marketing communications strategy.	
	P6 (4 UMS points) Outline the marketing communication strategy's approach, message and use of channels.	**M5** (4 UMS points) Explain how the strategy could gain customer loyalty.	**D3** (4 UMS points) Evaluate the strategy's ability to gain customer loyalty.
PO3 **Develop a marketing communications mix**	**P7** (4 UMS points) Produce **four** draft communication materials, making use of verbal, non-verbal and visual communication methods.	**M6** (4 UMS points) Analyse information on target market approval of the draft materials to identify relevant findings for the marketing communications mix.	**D4** (4 UMS points) Justify your choice of key findings to develop the marketing communications mix.
	P8 (4 UMS points) Describe the content and cost of the business proposal's marketing communications mix.	**M7** (4 UMS points) Explain the rationale of the marketing communications mix.	**D5** (4 UMS points) Evaluate the coherence of the marketing communications mix.

Performance outcomes	Pass	Merit	Distinction
	To achieve a pass the learner must evidence that they can:	In addition to the pass criteria, to achieve a merit the learner must evidence that they can:	In addition to fulfilling the pass and merit criteria, to achieve a distinction the learner must evidence that they can:
PO4 **Recommend a schedule of marketing communications**	**P9** (4 UMS points) Produce a schedule of the business proposal's marketing communications.	**M8** (4 UMS points) Explain the metrics that might be used to monitor the outcomes of the marketing communications.	
	P10 (4 UMS points) Identify **four** possible impacts of the marketing communications on the business proposal.	**M9** (4 UMS points) Analyse adjustments to the business proposal, considering the possible impacts of the marketing communications.	**D6** (4 UMS points) Recommend and justify adjustments to the business proposal.
Total UMS for each grade	40	60	80

Assessment amplification

This unit develops the marketing communications aspects of the Business planning unit. Learners' marketing communications strategies (PO2), mixes (PO3) and schedules of marketing communications (PO4) should relate to their individual business proposals.

In **P1** learners should outline the communication methods of a marketing communication delivered by two separate small businesses (with less than 50 employees and a turnover of less than £6.5million). These businesses should be currently operating.

In **P2** learners should ensure that the two small businesses (with less than 50 employees and a turnover of less than £6.5 million) collectively cover the use of traditional and modern channels.

In **P3** the information should be identified from learners' existing PO2 Business proposal unit evidence.

In **P4** learners should collect information related to influences on consumer behaviour, decision-making process and preferred marketing communications channels.

In **M3** analysis of questionnaire results, if collected (P4), must include at least **three** purposeful uses of cross tabulation.

In **P7** the draft communications materials should collectively provide evidence of using verbal, non-verbal and visual communication methods eg a tweet, a Facebook entry, a two minute video to be used on social video and a mock-up of a website homepage.

In **P8** learners should describe the content of the communications within the marketing communications mix and the cost of producing it. They should also describe how this content is delivered through selected channels and the cost of using these channels.

In **P10** the possible impacts can relate to the business proposal's plans and/or its coherence.

Guided learning hours breakdown

	PO1	PO2	PO3	PO4	Total
Delivery time	9 hours	16 hours	12 hours	8 hours	45 hours
Assessment time	3 hours	6 hours	4 hours	2 hours	15 hours
Total	12 hours	22 hours	16 hours	10 hours	60 hours

Delivery guidance

PO1 Investigate small business marketing communications

The focus of PO1 is on the practical use of communication methods and channels by **existing small businesses** (defined as businesses with less than 50 employees and a turnover of less than £6.5 million).

Learners should be given time to appreciate the meaning of marketing communications by considering the ways in which local and national small businesses communicate with potential and existing customers. This might be best achieved through a series of introductory case studies, of small businesses, which illustrate the meaning of different communication methods and highlight message content (USP and customer value proposition introduced by the Business dynamics unit). Learners should analyse these marketing communications in terms of their use of verbal, non-verbal and visual methods. They should consider the extent to which these different methods are effective in communicating each small business's USP and customer value proposition.

Learners could then consider, using the same case studies, the use of marketing communications channels by small businesses. Tutors could outline the history of communication channels and the trend towards businesses making greater use of modern channels. Learners, who may well have greater exposure to modern channels than tutors, could provide their own examples of marketing communications targeting at them through social media and social video. Tutors could then consider the suitability of different channels by considering their cost, flexibility, reach and ability to engage the target audiences. Additional examples of small business marketing communications campaigns could be used to illustrate these concepts. In addition, it might be useful to introduce the concept of an 'integrated use of channels' (PO3) so that learners can begin to see the importance of coordinated market communications. Learners will possibly have experienced an integrated use of channels already when receiving the same marketing communications message through different channels for products aimed at their age group. At this stage, learners should be in a position to investigate the use of traditional and modern channels by two small businesses, considering the extent to which an effective use of channels has been made.

PO2 Plan a marketing communications strategy

Having completed PO1 and PO2 of their Business planning unit, learners can consider PO2, PO3 and PO4 of this unit. Tutors should provide learners with time to review their Business proposal PO1 and PO2 findings before commencing PO2 in Marketing communications. Once this review has been completed, and 'existing business planning information' identified, tutors can introduce the main theme of PO2, ie planning a marketing communications strategy. Tutors should stress that this is about the approach taken to influencing buyer behaviour. It might be sensible to briefly consider the content of PO2 and to underline that the end goal is for learners to decide on their own marketing communications strategy, ie an **overview** of how they will influence their target market behaviour.

Key concepts of consumer 'influences on behaviour' and their 'decision-making processes' should be covered. Links to Business dynamics (PO2) could be made to introduce the range of influences on consumer behaviour. Learners will possibly find these influences difficult to apply to consumer ages above their own and time should be set aside to expose learners to a range of case studies illustrating

the influences on consumer behaviour. This range would be defined by different cultural, social and personal characteristics with particular focus on different lifecycle stages.

Decision-making processes could then be considered in detail. Examples of seemingly irrational consumer behaviour (eg when consumers are faced with bundled offers such as 'buy 2 get 1 free') could be used to illustrate the complexity of buyer decision-making processes and the difficulties created by lack of information and time. The problems human beings face when attempting to make objective decisions, and their need to have fixed reference points for comparisons, could then be considered. Common examples of how larger businesses exploit these difficulties (eg supermarkets) could be used and then translated to the marketing communications activities of smaller businesses. Learners, working in groups, could carry out their own investigations into how small businesses exploit seemingly irrational buyer behaviour.

It might be helpful to use a quick research exercise, carried out by the whole class, where factors influencing the decision to purchase a product (eg holidays) are investigated within each learner's extended family (using a questionnaire provided by the tutor) and the class results pooled. Tutors could then highlight differences in influences from the pooled results. This exercise could also help to prepare learners to carry out their own research relevant to their business proposal (ie P4, M3 and D2).

Learners should then consider the preferred communications channels of their business proposals' target markets. They could carry out this research using one-to-one interviews to gain an in-depth understanding of target market preferences. At this stage, learners should be in a position to complete P4 and address M3 and D2.

Tutors could return to the PO1 concept of the marketing communications message. Learners should consider the importance of the communication message for the success of any marketing communications campaign. Examples taken from larger businesses could be used by tutors and, again, translated to smaller businesses in the local area. Learners should develop an appreciation of how channel choice can also impact on the success of a campaign. At this stage, learners could focus on their own business proposal and research competitor marketing communications messages and channel choices. The results of this research, combined with prior research on target market characteristics and existing business planning information, should be used to complete P5 and address M4. Learners are **not** expected to have decided on their key message at this point.

Tutors should then help learners to take a strategic view of all their research findings by introducing the alternative approaches to marketing communications strategies, ie outbound or inbound. The trend towards a use of an inbound approach should be discussed with learners. The significance of this approach, in relation to customer loyalty, should be outlined by the tutor and the concept of the loyalty ladder introduced. At this stage, learners should complete PO2 by deciding on the approach they will take in their marketing communication strategy, including the chosen key message and proposed use of channels. P6 can be completed and M5/D3 addressed.

PO3 Develop a marketing communications mix

Tutors could introduce PO3 as a key aspect of how marketing communications strategies are **implemented**. Learners should be made aware of the challenges ahead of them, ie creating draft communications materials; testing these out on representatives of the target market; deciding on the marketing communications mix.

Tutors should outline the meaning of a marketing communications mix, ie the **ways** in which a marketing strategy's message is communicated with the target market. This requires a consideration of **communications content**, ie the verbal, non-verbal and visual content of the communication materials delivered to the target market, eg spoken content of a video, text used for a tweet and illustrations used within a Facebook page. Learners should ensure that they have considered their own business proposals' resources in order to keep within the human, physical and financial resources available to them. This is a limiting factor that must be recognised by learners before proposing their own marketing communications mix.

Learners should be given time to review their notes and findings from PO1 and PO2. They should then be given sufficient time to develop the draft communication materials required by their marketing strategies' selected channels. Tutors could assist here by providing a document template (in the form of a word table) which requires learners to detail selected channels (from PO2) and, for each channel, specify the communication method(s). From here, the template could then provide a column requiring learners to outline the content of each communication. From the completed table, learners could select a suitable range of **four** communications to develop in draft format (covering verbal, non-verbal and visual communication methods). Some of these draft communications will be very brief, eg a tweet, others may require more production time (eg a **short** video recorded by a learner's smartphone), but they should be contained within the assessment time allocated. The drafts are intended to allow for a practical experience and use with a focus group. They are not part of a visual arts or graphics media course!

Using their draft communications materials, learners should be given time to carry out research with a small focus group, providing feedback on the suitability of the materials. The group should comprise of four to six representative individuals. If a focus group is difficult to arrange, one-to-one interviews are acceptable.

At this stage, tutors should address the last section of PO3 – Marketing communications mix – and cover the key evidence requirements. In particular, tutors should focus learners' attention on:

- the cost of producing and delivering the content used by the mix
- coherence of the mix.

This might require some additional research by learners (in particular, the cost aspect), but tutors should minimise the extent of this by providing learners with a range of cost information (eg printing, content production etc). The greater challenge is on each learner considering the extent to which their marketing communications mix fits with their strategy, meets target market approval (in terms of materials and channels used), makes an **integrated** use of channels and delivers a consistent message in line with the strategy.

At the end of PO3, learners should have a suitable marketing communications mix, completed P7 and P8, been provided with the opportunity to address the associated M and D criteria, and be in a position to progress onto PO4.

PO4 Recommend a schedule of marketing communications

Tutors should outline the content of a schedule of marketing communications, illustrating this with one or two examples set in a small business context. The schedule should focus on the channels, sequencing and timing of the marketing communications mix. It should not include the design and production times of the communication materials. The concept of a 'metric' should be outlined and linked to the concept of a milestone, ie metrics measure key outcomes. Learners could then complete the schedule for their own business proposals' marketing communications, using their marketing communications mix and addressing P9. A spreadsheet template could be provided by tutors which facilitates learners' specification of:

- the marketing communications **channels** used, ie **rows** within the spreadsheet, with some channels having multiple rows due to several marketing communications being delivered through the same channel
- the **marketing communications** delivered through each channel and their start/stop times, ie across the spreadsheet's **columns** with each column representing a unit of time eg a week
- a final set of columns showing the cost of individual marketing activities and the **total cost of each channel**
- a summation of the total channel costs to calculate the **campaign cost** which is compared with the initial indicative budget.

Learners could then reflect on how they might monitor the success of the proposed marketing communications and address criterion M8. Each learner could add key milestones to their completed template and consider how and when these milestone achievements might be measured, eg the impact of a Twitter communication.

Tutors should then outline the purpose of the final section in this unit, ie 'New business planning information'. This requires learners to reflect on how their proposed marketing communications will impact on their outline business proposals. At the same time, it is the stage where learners return to their Business planning unit in order to finalise their outline plans and move on to 'pitching' for finance from funding providers. Learners should focus on completing evidence for P10, whilst tutors should ensure that learners are in a position to 'return back' to their business proposal, ie have they reviewed the impact of the marketing communications mix on the business proposal? Tutors could provide learners with a document template (word table) with suitable columns designed to help learners focus on the impact of the marketing communications on key aspects of their outline plans and coherence. This would then act as a starting point for learners to address M9 and D6.

Opportunities for synoptic teaching and learning

This section identifies for tutors and learners opportunities for developing links in teaching and learning with other units in the qualification.

Performance outcome	Links to other Extended Certificate units
PO1 Marketing communications	Developing a business proposal PO3: methods and channels of communication.
PO1 Marketing communications channels	Managing and leading people AO1: in relation to changing environment – available communications and channels eg technological change and impact on modern channels.
PO2 Existing business planning information	Developing a business proposal PO2: using research findings to inform the marketing communications strategy.
PO2 Target market characteristics	Managing and leading people AO1: in relation to impact of the changing environment on target market characteristics. Managing and leading people AO2: in relation to factors affecting employee motivation (theories of motivation) as related to buyer behaviour.
PO2 Message and channel options	Developing a business proposal PO2: research into competitors in relation to competitors' marketing communications messages and channel choices.
PO2 Marketing communications strategy	Managing and leading people AO1: in relation management roles, decision-making and problem-solving when selecting a marketing communications strategy. Managing and leading people AO1: importance of vision when selecting a marketing communications strategy. Developing a business proposal PO1: mind maps and decision-making tools as a tool for planning and strategy.

Performance outcome	Links to other Extended Certificate units
PO3 Existing business planning information	Managing and leading people AO2: in relation to organisational structure and available human physical resources available for the marketing communications mix. Developing a business proposal PO2: using research findings to inform the marketing communications mix.
PO3 Communication materials	Developing a business proposal PO3: methods and channels of communication in relation to draft materials.
PO3 Target market approval	None.
PO3 Marketing communications mix	Managing and leading people AO4: in relation to implementing an organisational change and significance for the coherence of the marketing communications mix.
PO4 Schedule of marketing communications	Managing and leading people AO1: in relation to management roles, decision-making and problem-solving when scheduling marketing communications.
PO4 New business planning information	Developing a business proposal PO2: using research findings to outline coherent marketing, operations, human resources and financial plans (coherence).

Performance outcome	Links to Certificate units
PO1 Marketing communications	Business dynamics PO1: in relation to meaning of potential and existing customers. Entrepreneurial opportunities PO1: enterprising behaviour in relation to potential and existing customers. Business dynamics PO2: competitive advantage in relation to meaning of a unique selling proposition.
PO1 Marketing communications channels	Entrepreneurial opportunities PO1: innovation, risk and uncertainty in relation to comparative benefits of traditional and modern communication channels.
PO2 Existing business planning information	Financial planning and analysis AO2: interpreting financial information to inform event planning.
PO2 Target market characteristics	Business dynamics PO1: in relation to meaning of a target market. Entrepreneurial opportunities PO1: Myers-Briggs in relation to target market characteristics eg psychological influences on behaviour. Entrepreneurial opportunities PO2: potential target markets in relation to target market characteristics. Entrepreneurial opportunities PO2: support network in relation to target market characteristics eg social and cultural influences.
PO2 Message and channel options	None.

Performance outcome	Links to Certificate units
PO2 Marketing communications strategy	Entrepreneurial opportunities PO2: customer value proposition in relation to marketing communications strategy regarding customer loyalty ladder and message choice.
PO3 Existing business planning information	Financial planning and analysis AO2: interpreting financial information to inform event planning.
PO3 Communication materials	None.
PO3 Target market approval	None.
PO3 Marketing communications mix	Financial planning and analysis AO2: costs and break-even (cost behaviour). Business dynamics PO3: competitive position and actions of competitors in relation to message and channel options. Entrepreneurial opportunities PO3: marketing activities in relation to a coherent marketing communications mix. Entrepreneurial opportunities PO3: operations activities in relation to cost of producing and delivering the content of the marketing communications mix.
PO4 Schedule of marketing communications	Financial planning and analysis AO3: budgets (cashflow); spreadsheets (producing a budget). Business dynamics PO3: management policies to improve competitive position in relation to considering the schedule of marketing communications.
PO4 New business planning information	Financial planning and analysis AO4: assessing financial information to inform changes to the business proposals' outline plans. Business dynamics PO4: all aspects through a consideration of SWOT analysis in relation to identifying new business proposal information.

Resources

Internet enabled computers to research current:

- examples of verbal, non-verbal and visual communication methods used by small businesses when communicating with potential and existing customers
- uses of modern and traditional channels by small businesses
- marketing communications messages and channel choices used by potential competitors in relation to learners' business proposals
- cost of producing and delivering content
- theoretical approaches to influences on consumer behaviour and their decision-making process
- approaches to an integrated use of communication channels and inbound/outbound strategies.

Software for drafting communications materials, capable of creating and laying out:

- text (eg word processing software)
- graphics (eg word processing software)
- images (eg word processing software).

Software for scheduling marketing communications, capable of illustrating the:

- channels, sequence, timing and milestones of marketing communications (eg spreadsheet software)
- cost of marketing communications (eg spreadsheet software).

Useful links and publications

Chapman, Surridge, McGuire, Merrills and Buchanan, *Applied Business,* Collins, ISBN 0-00-720142-7, chapter 2 (Promotional Activities) and relevant materials from chapter 3 (The Marketing Environment).

PO1 Investigating small business marketing communications

- brighthubpm.com/methods-strategies/79297-comparing-various-forms-of-communication/
- smartinsights.com/traffic-building-strategy/integrated-marketing-case-studies/
- dummies.com/how-to/content/develop-effective-marketing-communications-for-you.html
- econsultancy.com/
- econsultancy.com/blog/66211-econsultancy-s-colossal-digital-marketing-jargon-buster
- simplybusiness.co.uk/microsites/email-marketing-guide/
- en.wikipedia.org/wiki/Engagement_marketing
- econsultancy.com/blog/65230-10-very-cool-examples-of-experiential-marketing/
- masterful-marketing.com/marketing-channel-strategy/

PO2 Planning a marketing communications strategy

Target market characteristics

- theconsumerfactor.com/en/4-factors-influencing-consumer-behavior/
- theconsumerfactor.com/en/5-stages-consumer-buying-decision-process/
- io9.com/5974468/the-most-common-cognitive-biases-that-prevent-you-from-being-rational

Marketing communications strategy

- hubspot.com/inbound-marketing
- blog.hubspot.com/blog/tabid/6307/bid/2989/Inbound-Marketing-vs-Outbound-Marketing.aspx
- slideshare.net/HubSpot/what-is-inbound-marketing-29665969
- eightleaves.com/2010/04/the-loyalty-ladder-a-sideways-look

PO3 Developing a marketing communications mix

- publicengagement.ac.uk/do-it/techniquesapproaches/focus-groups
- makingbusinessandsaleswork.com/marketing-consistency-message/
- cio.com/article/2377257/online-marketing/7-ways-to-create-a-successful-integrated-marketing-campaign.html
- portent.com/blog/internet-marketing/raining-marketing-importance-integrated-marketing-communications.htm

PO4 Recommending a schedule of marketing communications

ittoolkit.com/how-to-it/projects/project-milestones.html

12 Externally set and marked examinations

12.1 Introduction

Unit R/507/6695, Financial planning and analysis of the Level 3 Certificate in Applied Business is assessed via an externally set and marked AQA examination.

Unit R/507/6695, Financial planning and analysis and unit H/507/6698, Managing and leading people of the Level 3 Extended Certificate in Applied Business are assessed via an externally set and marked AQA examination.

External examinations are set by AQA and are sat by learners in a controlled examination environment, at a pre-set time and date and marked by AQA.

Learners are able to re-sit each examination on **one** occasion.

Examinations are available for externally assessed units in January and June and entries must be made in accordance with AQA's procedures.

Further information on how to make entries for examinations can be found in the AQA *Centre Administration Guide for Technical and Vocational Qualifications.*

12.2 Examination format and structure

Unit title	Financial planning and analysis
Exam sessions	January and June
Duration	1 hour 30 minutes
Type of exam	Written exam A mixture of multiple choice, short answer and case study type questions.
Number of marks	60
Weighting of unit	33.3% of the AQA Level 3 Certificate in Applied Business 16.6% of the AQA Level 3 Extended Certificate in Applied Business

Unit title	Managing and leading people
Exam sessions	January and June
Duration	1 hour 30 minutes
Type of exam	Written exam A mixture of multiple choice, short answer and case study type questions.
Number of marks	60
Weighting of unit	16.6% of the AQA Level 3 Extended Certificate in Applied Business

12.3 Reasonable adjustments and special considerations

Information on the reasonable adjustments allowed for the external examinations within this qualification can be found in the AQA *Centre Administration Guide for Technical and Vocational Qualifications.*

12.4 Availability of past examination papers

Sample and past examination papers for this qualification are available from AQA.

13 Externally set and marked assignments

Unit D/507/6697, Entrepreneurial opportunities of the Level 3 Certificate in Applied Business is assessed via an externally set and marked AQA assignment.

External assignments are set by AQA (sometimes in collaboration with an employer or a professional body), and are sat by learners in a supervised environment and marked by AQA.

Further information on how to make entries for external assignments can be found in the AQA *Centre Administration Guide for Technical and Vocational Qualifications* at aqa.org.uk

13.1 Assignment format and structure

There are two assignments for unit D/507/6697, Entrepreneurial opportunities in each academic year.

Materials for the assignment are released to centres on a specified date each year. This date can be obtained from the AQA website aqa.org.uk

There are two windows for each assessment each year when centres must submit their learners' completed external assignments to AQA for marking. The dates of these windows can be obtained from the AQA website.

Learners must undertake their external assignment tasks individually and under supervised conditions. The *Guidance Notes for Tutors* and the *Assignment brief* provide specific instructions on the way in which the assignment tasks should be delivered.

13.2 Preparation

The assignment should only be undertaken after learners have acquired the necessary skills and after teaching for the appropriate sections of the specification has taken place. Learners should also be familiar with any apparatus, equipment or materials they will need to use.

Centres should organise an appropriate approach to the delivery of the assignment that takes into account when the assignment becomes available and when completed learner work is required by AQA for submission.

Before starting the assignment, centres should introduce learners to the *Information for Candidates* document that identifies the rules surrounding learner research and independent working. Learners should be introduced to the idea that prior to submission of their external assignment they will be required to sign a declaration to say that they have complied fully with the rules of the administration of the external assignment.

13.3 Risk assessment and risk management

Risk assessment and risk management are the responsibility of the centre.

13.4 Carrying out the assessment

Learners are expected to work individually.

Unless specific guidance to the contrary is made in the assignment brief, centres should not give any advice to learners regarding completing the assignment.

Details of any supporting documents, materials or electronic devices that can be used by learners during the assessment will be provided within the *Guidance notes for tutors* and the *Assignment brief*. The circumstances in which learners are permitted to undertake research will also be specified within the *Guidance notes for tutors* and the *Assignment brief*.

13.5 Learner absence

If a learner is absent for a part of the assignment then they should be given the opportunity to undertake the part of the assignment missed before they move on to the next stage. This may be with another group or at a different time.

13.6 Storage of materials

Materials for each assignment must be kept unopened and in secure storage until the date upon which the centre wishes to commence work on the assignment with learners.

Secure storage is defined as a securely locked cabinet or cupboard.

Whilst undertaking assignment tasks, at the end of each session, the centre must collect the learners' work and keep it securely until the next session. Learners must not take any assessment materials away at the end of a session. Specific rules relating to the security of assessment can be found in the *Guidance notes for tutors*.

Further guidance on secure storage can be found in the *JCQ Instructions for Conducting Examinations* document at jcq.org.uk/exams-office/ice---instructions-for-conducting-examinations

Where learners' work is in an electronic format, centres must take steps to ensure that they meet the requirements for secure storage described above. This may involve collecting USB memory sticks for secure storage between sessions or restricting learners' access to specific areas of the centre's IT network.

As a general rule, learners should use the IT facilities provided by their centre. Where learners wish to/are required to use their own equipment, then the centre is responsible for establishing and implementing a procedure to ensure compliance with the requirements for secure storage described above.

13.7 Submission of learner work

Deadlines for submission of assignments will be provided on the AQA website aqa.org.uk

Details of submission arrangements can be found in the AQA *Centre Administration Guide for Technical and Vocational Qualifications* at aqa.org.uk

To ensure that the external assignment has been completed appropriately, learners and tutors are required to confirm before all learner work is sent to AQA for marking that each of the learners has undertaken the assessment appropriately and in accordance with the rules.

13.8 Redrafting or resubmission of learner work

Learners may only make one attempt at each assignment and redrafting is not allowed at any stage. Learners who wish to re-sit a unit assessment must attempt a different assignment.

13.9 Suspected malpractice or maladministration

Where centres suspect that the work produced by the learner is not their own, then this could potentially be malpractice. Further guidance on dealing with malpractice can be found in the JCQ document *Suspected Malpractice in Examinations and Assessments: Policies and Procedures –* jcq.org.uk/exams-office/malpractice and in the AQA *Centre Administration Guide for Technical and Vocational Qualifications* at aqa.org.uk

14 Internal assessment and quality assurance

14.1 Overview

Unit Y/507/6696, Business dynamics of the Level 3 Certificate in Applied Business and Units K/507/6699, Developing a business proposal, R/507/6700, e-Business implementation, Y/507/6701, Managing an event and D/507/6702, Marketing communications of the Level 3 Extended Certificate in Applied Business are internally assessed by the centre.

All assessment decisions that are made internally within a centre are externally moderated by AQA.

AQA has worked with stakeholders to produce guidance on what is the most appropriate form of assessment or evidence gathering for all internal centre assessment. The most appropriate method of assessment is detailed against each unit.

Centres should tailor the assessment to suit the needs of the learner, and internal assessments can take place at a time to suit the centre or learner.

Centres should take a best practice approach, with learners being assessed through practical, applied activity to generate the required evidence.

14.2 Role of the assessor

The role of the assessor is to:
- carry out initial assessments of learners to identify their current level of skills, knowledge and understanding and any training or development needs
- mark the work presented against the requirements of the qualification, to make a judgement on the overall competence of learners
- provide feedback to learners on their performance and progress. This feedback needs to give learners a clear idea of the quality of the work produced, where more work is required and how best to do this.

14.3 Assessor qualifications and experience

In order to assess learners working towards these qualifications, assessors must:

- have appropriate knowledge, understanding and skills relevant to the units within this qualification
- have experience as a practitioner and/or within teaching and training with significant experience of creating programmes of study in relevant subject areas
- undertake activities which contribute to their continuing professional development (CPD).

14.4 Authentication of learner work

The centre must be confident that a learner's work is their own. You must inform your learners that to present material copied directly from books or other sources such as the internet, without acknowledgement, will be regarded as deliberate deception. This also includes original ideas, as well as the actual words or artefacts produced by someone else.

Learners' work for assessment must be undertaken under conditions that allow the centre to authenticate the work. If some work is done unsupervised, then the centre must be confident that the learners' work can be authenticated with confidence – eg being sufficiently aware of an individual learner's standard and level of work to appreciate if the evidence submitted is beyond the level of the learner.

The learner is required to sign a declaration that the work submitted for assessment is their own. The centre will also countersign this declaration that the work was carried out under any specified conditions – recording details of any additional assistance. This must be provided with the learner's work for external quality assurance purposes.

Any assistance given to an individual learner beyond that given to the group as a whole, even if within the parameters of the specification, must also be recorded.

If some work is done as a part of a team, the centre must be confident that the learner's contribution to that team activity can be clearly identified and authenticated.

14.5   Tutor assistance and feedback

Whilst learners are undertaking assignment tasks, tutors must ensure that any assistance given, or offered as a result of a learner's question and/or request for help, does not compromise the learner's ability to independently perform the task in hand.

During assessment, tutors can give general feedback and support to learners, most notably, on the following:
• development of the required knowledge and skills underpinning the assignment at hand
• confirmation of the assessment criteria being assessed
• clarification of the requirements of the *Assignment brief*
• identification of assignment deadlines.

Tutors, however, must not assist learners directly and specifically with assignment tasks.

Tutors are not permitted to provide 'formative' feedback on learner's work, ie feedback, prior to submission for marking, on an assignment/task that will enable the learner to amend the assignment/task to improve it.

Once learner work has been submitted for marking, then tutors must give clear and constructive feedback on the criteria successfully achieved by the learner. Tutors should also provide justification and explanation of their assessment decisions. Where a learner has not achieved the performance criteria targeted by an assignment, then feedback should not provide explicit instructions on how the learner can improve their work to achieve the outstanding criteria. This is to ensure that the learner is not assisted in the event that their work is considered for resubmission.

14.6   Resubmission of internally assessed assignments

Resubmission of an internally assessed assignment (ie a corrected version of an original assignment) is permitted only where the tutor believes that the learner's work will be able to achieve the outstanding performance criteria targeted by an assignment without further guidance. As a condition of resubmission, the learner must also have successfully authenticated that their assignment work is their own.

Any resubmission of an assignment must be undertaken without further guidance from the tutor and within 10 working days of the learner receiving the initial result of the assessment. The learner is not permitted any further resubmissions or retakes.

14.7   Research and references

Where learners are required to undertake research towards the completion of a task, they should reference their research results in a way that is informative, clear and consistent throughout their work. We do not prescribe a specific way to organise references, but we expect tutors to discuss this with learners and identify a 'house style' that learners are then expected to use. Learners may include a bibliography of relevant sources on larger assignments where there has been significant research and there is value in recording all sources fully.

14.8   Role of the internal quality assurer

An internal quality assurer (IQA) must be appointed to ensure the quality and consistency of assessments within the centre. Each assessor's work must be checked and confirmed by an internal quality assurer.

The IQA must review assessment decisions from the evidence provided and hold standardisation meetings with the assessment team to ensure consistency in the use of documentation and interpretation of the qualification requirements.

All assessment decisions made within a centre must be standardised to ensure that all learners' work has been assessed to the same standard and is fair, valid and reliable.

Evidence of all standardisation activity should be retained by the centre and could take the form of, for example, records of training or feedback provided to assessors, minutes of meetings or notes of discussions.

Internal standardisation activity may involve:
- all assessors marking trial pieces of work and identifying differences in marking standards
- discussing any differences in marking at a training meeting for all assessors
- cross-moderation of work between assessors.

14.9   Internal quality assurer qualifications and experience

In order to internally quality assure the assessment of learners working towards these qualifications, IQAs must:
- have appropriate knowledge, understanding and skills relevant to the role
- undertake activities which contribute to their continuing professional development (CPD).

14.10 Record keeping

The centre must be able to produce records that show:
- the assessor
- the evidence assessed
- the dates of assessment
- details of internal standardisation activities of the assessor (ie, what, when and by whom)
- the grade awarded and rationale for this.

15 External moderation

15.1 Overview

AQA's approach to quality assurance for this qualification is described within each unit specification.

External moderation of the Certificate and Extended Certificate is concerned with maintaining the quality of assessment and checking that the assessment process has been undertaken appropriately by centre staff.

It focuses on re-marking a selected sample of learners' work to check that centre marking has been conducted validly and reliably.

15.2 Moderation

When a learner is registered for the qualification, the centre will have the opportunity to submit learners' work for moderation at two assessment windows during the course of the academic year. These windows will be identified on the AQA website aqa.org.uk

At each assessment window, and for those learners for whom centres wish units to be awarded, an appointed AQA moderator will re-mark a representative sample of the work submitted and seek to confirm the marks/grades awarded by the centre.

All samples will be chosen by the AQA moderator. The AQA moderator will choose their sample on the basis of the units taken, the different grades awarded by the centre, and the different tutors delivering each unit. This process will also support the centre in their internal standardisation. Where the moderator is not satisfied that a first sample gives sufficient confidence as to the validity and reliability of the assessment process within the centre, the moderator can ask for additional samples in order to consider more learner work.

If centre assessment decisions are found to be inaccurate and/or inconsistent, adjustments at moderation can be made. In more severe cases, where the centre marking is fundamentally inconsistent, AQA can re-mark the work of the entire cohort, and reserves the right to use these re-marked grades as the learners' final grades.

As a result of the moderation process, the AQA moderator will produce a feedback report for the centre which will detail any relevant assessment recommendations identified by the moderator. In more extreme cases, this report will also detail any AQA sanctions required by the situation.

15.3 Sanctions

Sanctions are used to help process improvement and are a way of protecting the validity and reliability of assessment decisions. We will only ever impose sanctions on a centre that are proportionate to the extent of the risk identified during the moderation process.

Sanctions can be applied at a learner, centre or centre staff level – and they can be at qualification or centre level and take the following form:

Level 1: Action point in *Moderator's feedback report* – a requirement to act on the moderator's finding.

Level 2: Suspension of learner registration and/or certification.

Level 3: Withdrawal of centre approval for a specific qualification.

It should be noted that these sanctions are not necessarily cumulative in nature and may be used in proportion to the seriousness of the issue found at moderation.

Further information on levels and application of sanctions can be found in the AQA *Centre Administration Guide for Technical and Vocational Qualifications.*

16 Grading

16.1 Overview

Performance in all units is graded at Pass, Merit or Distinction. Each internally assessed and external assignment unit is worth a specific uniform mark scale (UMS) value (ie 100 UMS points) and individual unit grades represent the value of UMS points achieved in the unit. Each examination for an examined unit is worth 60 marks. Learners' individual exam mark scores are calculated into UMS values in order to calculate a final grade for the qualification.

The overall Certificate and Extended Certificate qualifications are both graded: Pass, Merit, Distinction, Distinction*. The UMS points for each unit are added together and an overall grade for the qualification is determined.

16.2 Internally assessed units and the external assignment unit

Learners should seek to achieve all unit performance criteria at each of the levels of grade (ie Pass, Merit and Distinction), and tutors should ensure that learners are set tasks and activities that enable them to access this full range of the performance criteria.

Learners' work should meet the performance criteria set for the unit. Achievement of each performance criteria attracts 4 UMS points. The following grade boundaries are applicable to internally assessed units:

Pass – 40 UMS points

Merit – 60 UMS points

Distinction – 80 UMS points.

Learners are not required to achieve all the Pass criteria to achieve a Pass in the unit (and the same applies for the Merit and Distinction grades). The learner's failure to achieve a Pass performance criterion can be 'compensated' for, for example, by achievement of a Merit performance criterion elsewhere in the unit, where the learner's achievement has been stronger.

Similarly, the learner's failure to achieve a Merit performance criterion can be 'compensated' for, for example, by achievement of a Distinction performance criterion elsewhere in the unit, where, again, the learner's achievement has been stronger.

However, it must be noted that learners can only be awarded a Merit or Distinction performance criterion where they have already achieved the corresponding Pass and Merit criterion. This places important limits on the extent to which learners can be compensated for any particular performance criterion at any given level.

Applying these principles, the learner will pass the unit when they have achieved 40 UMS points, and the same applies for the Merit (60 UMS points) and Distinction (80 UMS points).

Unit 3 of the Certificate qualification is assessed via an AQA external assignment, which will be marked by AQA following the exact principles identified above for internally assessed units.

16.3 Examined units

These units are assessed by AQA using a mark scheme offering a total of 60 marks. After the examination has taken place and been marked, the grade boundaries are set by AQA. These grade boundaries are based on the level of demand of the assessment and all learners' performance.

When the assessment results are shared with the centre, AQA will report on the grade boundaries.

Note: these grade boundaries may change for each assessment window according to the demand of the assessment – this is important to maintain standards across each window.

Learners' results are then converted into UMS points in order to determine overall grades for the qualification. The following UMS grade boundaries are applicable to examined units:

Pass – 40 UMS points

Merit – 60 UMS points

Distinction – 80 UMS points.

16.4 Final grade for overall qualification

The final grade for the overall qualification is calculated by adding together the points achieved for each unit. In this respect, learners do not necessarily need to pass each unit in order to achieve an overall Pass grade for the qualification.

Table 1 identifies how the overall qualification grade is calculated:

Qualification grade	180 GLH (3 units) total: 300 UMS UMS points	360 GLH (6 units) total: 600 UMS UMS points	Grade boundary as percentage of total UMS
Distinction*	270–300	540–600	90
Distinction	240–269	480–539	80
Merit	180–239	360–479	60
Pass	120–179	240–359	40

17 Administration arrangements

Full details of all of the administration arrangements relating to AQA Tech-levels can be found in the AQA *Centre Administration Guide for Technical and Vocational Qualifications*, including:

- how to apply for centre approval
- registration of learners
- dealing with recognition of prior learning (RPL)
- how to make examination entries
- dealing with missed examination dates
- examination invigilation arrangements
- how to make claims for certificates
- how to appeal against an assessment, IQA or EQA decision
- retention of learner work and assessment/IQA records
- dealing with potential malpractice or maladministration.

Details of all AQA fees can be found on the AQA website at aqa.org.uk

18 Appendix A – Synoptic links from Certificate units to Extended Certificate units

This section identifies for tutors and learners opportunities for developing links in teaching and learning with units in the Extended Certificate qualification.

Unit 1: Financial planning and analysis

Assessment outcome	Links to Extended Certificate units
AO1 Business planning to meet financial objectives	Developing a business proposal PO1: outlining resource requirements. Developing a business proposal PO2: using research findings to outline coherent marketing, operations, human resources and financial plans. Marketing communications PO4: new business planning information.
AO1 Financial implications of using different legal forms of business	Managing and leading people AO4: impact of financial and operational constraints on the ability to implement change.
AO1 Providing information to key stakeholders	Developing a business proposal PO3: communicating with funding providers.
AO1 Financing the enterprise	Developing a business proposal PO2: using research findings to outline coherent marketing, operations, human resources and financial plans.
AO2 Making a profit	Developing a business proposal PO2: researching, modelling and testing the business proposal. All optional units in relation to PO2: interpreting financial information to inform event planning.
AO2 Break-even	Developing a business proposal PO2: researching, modelling and testing the business proposal.
AO2 Cash-flow	Developing a business proposal PO2: researching, modelling and testing the business proposal. Marketing communications PO3: marketing communications mix. Marketing communications PO4: schedule of marketing communications.
AO3 Consider how managers and entrepreneurs monitor the financial performance of a business	Developing a business proposal PO2: researching, modelling and testing the business proposal. e–Business implementation PO3: e-business proposal in relation to financial viability.

Assessment outcome	Links to Extended Certificate units
AO4 Assess information to make decisions about the financial performance of a business	Developing a business proposal PO4: strategic contingency planning.
	Marketing communications PO4: new business proposal information.
	e-Business implementation PO4: new business proposal information.
	Managing an event PO4: new business proposal information.

Unit 2: Business dynamics

Performance outcome	Links to Extended Certificate units
PO1 Business markets, vision and aims	Managing and leading people AO1: leaders in relation to the meaning of a business vision.
	Developing a business proposal PO1: in relation to identifying products and target markets.
	Developing a business proposal PO2: researching, modelling and testing the business proposal in relation to the meaning of vision and aims.
	e-Business implementation PO1: in relation to e-business models.
	Managing an event PO1: in relation to meaning of a target audience.
	Marketing communications PO1: in relation to meaning of potential and existing customers.
	Marketing communications PO2: in relation to meaning of a target market.
PO1 Stakeholders and ownership	Managing and leading people AO1: leaders vs managers in relation to meaning of risk.
	Developing a business proposal PO1: selecting a business proposal in relation to the meaning of risk and uncertainty.
	Developing a business proposal PO3: communicating with funding providers in relation to stakeholder involvement in decision-making.
	e-Business implementation PO3: in relation to meaning of stakeholder groups when seeking stakeholder approval on e-business proposal.
	Managing an event PO2: in relation to stakeholder requirements.
PO1 Business organisation	Managing and leading people AO1: managers in relation to managers' roles and organisational structures.
	Developing a business proposal PO2: all in relation to meaning of functional areas and organisational structures (including staffing levels, roles and skills).
	Managing an event PO1: in relation to need for resource management.

Performance outcome	Links to Extended Certificate units
PO2 Recruitment	Managing and leading people AO2: factors affecting employee motivation in relation to how effectiveness of recruitment impacts on motivation.
	Developing a business proposal PO2: all in relation to recruitment planning and methods.
	Developing a business proposal PO4: achieving objectives in relation to challenges of acquiring human resources.
	Managing an event PO1: in relation to identifying human resource requirements.
PO2 Organisational types	Managing and leading people AO2: in relation to impact on organisational structure, culture, motivation and performance of teams.
	Developing a business proposal PO2: operations and human resources plans' key components in relation to considering an effective organisational type for the business proposal.
	Managing an event PO3: in relation to event resources and event delivery.
PO2 Competitive advantage	Developing a business proposal PO1: selecting a business idea in relation to the meaning of competitive advantage.
	Developing a business proposal PO2: all in relation to considering the proposal's competitive advantage and how this might be delivered through functional activities in a coherent way.
	Developing a business proposal PO3: communicating the proposal's competitive advantage to funding providers.
	e-Business implementation PO2: in relation to the meaning of a competitive customer value proposition.
	Managing an event PO2: in relation to event characteristics and the event plan.
	Marketing communications PO1: in relation to meaning of a unique selling proposition.
PO3 Competitive position	Developing a business proposal PO1: selecting a business idea in relation to the meaning of competitive rivalry.
	Developing a business proposal PO2: all in relation to investigating and responding to the business proposal's possible competitive position.
	Developing a business proposal PO3: communicating with funding providers in relation to concerns about the content and coherence of the business proposal's ability to compete successfully.
	e-Business implementation PO2: in relation to the meaning of competitors.
	Managing an event PO2: in relation to all aspects of planning an event.
	Marketing communications PO3: in relation to message and channel options with regard to competitors' actions.

Performance outcome	Links to Extended Certificate units
PO3 Management policies to improve competitive position	Managing and leading people AO3: all in relation to situations where leadership and empowerment are required. Managing and leading people AO4: all in relation to how managers demonstrate effective leadership when identifying and implementing change. Developing a business proposal PO4: achieving aims in relation to challenges of leading and empowering human resources. e-Business implementation PO4: in relation to considering the e-Business implementation plan. Managing an event PO3: in relation to event delivery and promoting effective teamwork. Marketing communications PO4: in relation to considering the schedule of marketing communications.
PO4 Internal business strengths and weaknesses	Managing and leading people AO1: all in relation to identifying the types of change required. Developing a business proposal PO1: selecting a business idea considering possible strengths and weaknesses. e-Business implementation PO1: in relation to the meaning of internal strengths and weaknesses. e-Business implementation PO4: in relation to identifying new business planning information. Managing an event PO4: in relation to evaluating event delivery and identifying new business planning information. Marketing communications PO4: in relation to identifying new business planning information.
PO4 External business opportunities and threats	Managing and leading people AO1: changing environment in relation to meaning of external environment for force field analysis. Developing a business proposal PO1: selecting a business idea considering possible opportunities and threats. Developing a business proposal PO4: strategic contingency planning in relation to evidence relating to relevant external environment forces. e-Business implementation PO4: in relation to identifying new business planning information. Managing an event PO4: in relation to identifying new business planning information. Marketing communications PO4: in relation to identifying new business planning information.

Unit 3: Entrepreneurial opportunities

Performance outcome	Links to Extended Certificate units
PO1 Enterprising behaviour	Developing a business proposal PO1: identifying products and target markets. Managing and leading people AO1: leaders vs managers. e-Business implementation PO2: in relation to potential income streams. Managing an event PO1: in relation to market opportunities and the purpose of the event. Marketing communications PO1: in relation to potential and existing customers.
PO1 Innovation, risk and uncertainty	Developing a business proposal PO1: identifying products and target markets. Managing and leading people AO1: leaders vs managers and the changing environment. e-Business implementation PO2: in relation to potential income streams. Marketing communications PO1: in relation to comparative benefits of traditional and modern communication channels.
PO1 Myers-Briggs personality types and enterprising behaviour	Developing a business proposal PO2: human resources plan key components. Managing and leading people AO2: factors affecting employee motivation and the performance of teams. Managing and leading people AO4: factors resisting organisational change and in relation to ADKAR. Managing an event PO3: in relation to team work and event resources/ delivery. Marketing communications PO2: in relation to target market characteristics eg psychological influences on behaviour.
PO2 Potential target markets	Developing a business proposal PO1: identifying products and target markets. Managing an event PO1: target audiences. Marketing communications PO2: in relation to target market characteristics.
PO2 Support network	Developing a business proposal PO1: outlining resource requirements (human and personal). Developing a business proposal PO2: human resources plan key components. Managing an event PO1: resource management and dealing with relevant support groups. Marketing communications PO2: in relation to target market characteristics eg social and cultural influences.

Performance outcome	Links to Extended Certificate units
PO2 Selecting a customer value proposition for a personal enterprise	Developing a business proposal PO2: marketing plan key components. e-Business implementation PO1: in relation to e-business models and the customer value proposition. e-Business implementation PO2: in relation to the e-business strategy. e-Business implementation PO3: in relation to the viability of the e-business proposal. Managing an event PO2: in relation to event research and characteristics. Marketing communications PO2: in relation to marketing communications strategy regarding customer loyalty ladder and message choice.
PO3 Marketing activities	Developing a business proposal PO2 and PO3: developing and communicating the marketing plan key components. e-Business implementation PO2: in relation to the e-business strategy. Marketing communications PO3: in relation to a coherent marketing communications mix.
PO3 Operations activities	Developing a business proposal PO2 and PO3: developing and communicating the operations plan key components. Managing and leading people AO4: implementing organisational change in relation to operational constraints. e-Business implementation PO2: in relation to the e-business strategy. Managing an event PO2 and PO3: in relation to operational aspects of planning and delivering the event. Marketing communications PO3: in relation to cost of producing and delivering the content of the marketing communications mix.
PO3 Viable personal enterprise	Developing a business proposal PO2 and PO3: developing and communicating a viable business proposal. e-Business implementation PO3: in relation to the viability of the e-business proposal.
PO4 Risks and uncertainties; contingencies	Developing a business proposal PO4: strategic contingency planning. Managing an event PO3 and PO4: in relation to risk assessment and minimisation.

Get help and support

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T00012