



Level 6 Diploma in Management (Finance)

Objective of the qualification:

- It should be available to everyone who is capable of reaching the required standards
- It should be free from any barriers that restrict access and progression
- It should give equal opportunities for all those wishing to access the qualifications.

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Entry Requirements

These qualifications are designed for learners who are typically aged 19 and above.

For learners who have recently been in education or training the entry profile is likely to include:

- one or two years' study of Business, Management or related qualifications at a Higher Education Institution
- a level 5 qualification in Business, Management or related subjects for example an Level 5 Extended Diploma in Management
- other equivalent international qualifications.

Or

- Relevant work experience at managerial level.

Learners must also have an appropriate standard of English to enable them to access relevant resources and complete the unit assignments.

Introduction to the Level 6 Diploma in Management (Finance)

These qualifications in Management have been developed to conform to the requirements of the RQF, and to meet the requirements of higher education.

Level 6 diploma in management provides flexible route for learners who have already achieved management qualifications at a lower level and for learners who do not have business or management qualifications, but may have qualifications in other areas and/or prior management experience in the work place.

These qualifications are designed to provide:

- opportunities for learners to acquire knowledge and understanding and develop a range of skills, personal qualities and attitudes essential for successful performance in working life
- specialisms that are directly related to learners' current responsibilities or that meet a particular interest and support career development
- opportunities for learners who wish to undertake a full time course of study leading to an Extended Diploma
- learners with the opportunity to acquire a broader range of knowledge and understanding and to develop the skills they require to work in the field of management,

Progression

On successful completion of this Qualification there are a number of progression opportunities available.

Learners may progress to:

- larger qualifications at the same level e.g. from a diploma to an extended diploma
- other qualifications at the next level for example to a Level 7 Diploma or Extended Diploma in Strategic Management or Healthcare Management.
- an MBA programme.

Level 6 Diploma in Management (Finance)

Learners taking the Finance Pathway take two of the four core units and two units from the Finance Pathway.

Core Units

| Unit Title | Level | GLH | Credit |
|--|-------|-----|--------|
| Leadership and Management | 6 | 60 | 15 |
| Research Project | 6 | 60 | 15 |
| Managing Quality and Service Delivery | 6 | 60 | 15 |
| Personal Leadership and Management Development | 6 | 60 | 15 |

Finance pathway units

| Unit Title | Level | GLH | Credit |
|--|-------|-----|--------|
| Financial Decision Making for Managers | 6 | 60 | 15 |
| Accounting | 6 | 60 | 15 |
| Managing Finance in the Public Sector | 6 | 60 | 15 |
| Economics for Business | 6 | 60 | 15 |

Unit Specifications

Unit Format

Each unit is presented in a standard format. This format provides guidance on the requirements of the unit for learners, tutors, assessors and external verifiers.

Each unit has the following sections:

Unit Title

The unit title reflects the content of the unit. The title of each unit completed will appear on a learner's statement of results.

Unit Aims

The unit aims section summarises the content of the unit.

Unit Code

Each unit is assigned a unit code that will appear on the qualification certificate

Level

All units and qualifications have a level assigned to them which represents the level of achievement. The level of each unit is informed by the level descriptors.

Credit Value

The credit value is the number of credits that may be awarded to a learner for the successful achievement of the learning outcomes of a unit.

Learning Outcomes

The learning outcomes set out what a learner is expected to know, understand or be able to do as the result of the learning process.

Assessment Criteria

The assessment criteria describe the requirements a learner is expected to meet in order to demonstrate that the learning outcome has been achieved. Command verbs reflect the level of the qualification e.g. at level 6 you would see words such as analyse, evaluate, synthesise.

Unit Indicative Content

The unit indicative content section provides details of the range of subject material for the programme of learning for the unit.

| Leadership and Management | | | |
|--|--|--|--|
| Unit aims | The aim of this unit is to enable the learner to understand the role of leadership and management in organisations; and the use of leadership and management skills to improve organisational performance. | | |
| Unit level | 6 | | |
| Unit code | H/615/2706 | | |
| Credit value | 15 | | |
| Unit grading structure | Pass/Merit/Distinction | | |
| Assessment guidance | <p>To achieve this unit, learners must achieve the learning outcomes and meet the standards specified by the assessment criteria for the unit.</p> <p>In order to achieve this unit, the learner will need to demonstrate a full understanding of the concepts of leadership and management, the difference between them and how they are used in organisations. The work must be illustrated with exemplar material from research and where possible from the learner's practical experience in employment, as a learner and from working in teams.</p> | | |
| Learning outcomes. The learner will: | Assessment criteria. The learner can: | | |
| | Pass | Merit | Distinction |
| 1. Understand strategic leadership and management in organisations | 1.1 Analyse strategic leadership and its links to management in organisations 1.2 Evaluate key leadership and management theories 1.3 Explain how leadership and management styles should change to meet the needs of different situations found in organisations | 1M1 Assess the impact that theories of leadership and management may have on strategic decision making | |
| 2. Understand how to improve organisational performance | 2.1 Analyse the skills which are needed by strategic leaders and | 2M1 Assess the qualities and skills of a named leader in achieving | 2D1 Evaluate how specific organisations use motivation in improving organisational performance |

| | | | |
|---|---|---|--|
| <p>through the application of relevant leadership and management skills</p> | <p>managers to improve organisational performance</p> <p>2.2 Analyse key motivational theories and how they may influence organisational success</p> <p>2.3 Analyse the contribution of performance management techniques in organisational processes</p> | <p>organisational success</p> | |
| <p>3. Understand how leaders and managers utilise teams in improving organisational performance</p> | <p>3.1 Explain the development of teams</p> <p>3.2 Analyse the characteristics of high performance teams</p> <p>3.3 Evaluate the role of the team leader in creating high performance teams</p> <p>3.4 Assess the impact of teams on organisational performance</p> | <p>3M1 Analyse the challenges of developing effective virtual teams</p> | <p>3D1 Evaluate the importance of using different types of teams to achieve the required outcomes of a project</p> |

Indicative Content

1. Understand strategic leadership and management in organisations

Concepts of leadership and management

- Definitions of leadership and the role of leaders, classification of leadership (e.g. dimensions, processes, personality), leadership as a process, power and influence, strategic and operational, the importance of common goals, leaders and followers/ leadership of groups, leadership skills, Mintzberg's 10 managerial roles.

Leadership and management theories

- Trait theories, process theories, functional leadership, transactional e.g. Bennis and Bass, leadership/management styles, situational theories e.g. Hersey and Blanchard, contingency theory e.g. Fiedler, path-goal theory, Transformational Leadership, psychodynamic theory

Styles

- Autocratic, bureaucratic, laissez-faire, persuasive, participative, charismatic ; adapting styles to different situations.

2. Understand how to improve organisational performance through the application of relevant leadership and management skills

Skill sets

- Different skills sets for leaders and managers. Leaders need to be able to create vision, set direction, communicate, risk taker, plan, listen etc. Managers need to build the team, lead and work in teams, communicate, time management, meet deadlines, manage performance, delegate, project management, problem solve

Motivation

- Taylorism, Mayo, Maslow, Herzberg and Broad theories (e.g. temporal motivation theory), cognitive theory, power, behavioural theories; social constructivism
- How leaders motivate and practical aspects of motivation

Performance management

- Clarity of end results and goal setting, agreement with staff, reward, performance monitoring and measurement, gathering feedback, use of data and outputs, job design and characteristics and employee needs

3. Understand how leaders and managers utilise teams in improving organisational performance

Development of teams

- Stages of team development e.g. Tuckman, Honey, Leigh and Maynard.
- High performance teams; shared purpose and established goals; clear roles; strong interdependencies; agreed decision making process; use of review and feedback; stable team membership; strong learning environment; team based rewards system

Team leadership

- Roles and models of team leadership, establishing the culture of team performance, giving direction, establishing reporting lines, celebrating success, managing conflict, communications, collaboration and team decision making, creativity of teams; monitoring performance and measuring team success

Impact on organisational performance

- Teams - utilising skills of individual members; shared goals and ambitions; working with and supporting colleagues; wanting success for the team, common understanding of the plan and its impact on the organisation; individual performance of a team member and impact on the work of others
- Underperforming teams and negative impact on organisational performance, goals not achieved, blame culture; conflict; staff absence, retention

Virtual teams

- Working with real time; common message and communication; lack of clarity and direction and second guessing; lack of empathy and personal connection; different work ethic and culture in team members; hidden incompetence; diminished productivity; availability.

| Research Project | | | |
|--|---|--|--|
| Unit aims | The aim of this unit is to develop the knowledge, understanding and skills required to produce a research question and carry out independent research using appropriate research techniques. The learner will analyse and present their research findings, evaluate the research methodology and their personal learning. | | |
| Unit level | 6 | | |
| Unit code | M/615/2708 | | |
| GLH | 60 | | |
| Credit value | 15 | | |
| Unit grading structure | Pass/Merit/Distinction | | |
| Assessment guidance | To achieve this unit, learners must achieve the learning outcomes and meet the standards specified by the assessment criteria for the unit. In order to achieve this unit, learners must carry out a comprehensive piece of research on a chosen area. Learners will need to carefully select a topic for research and may require guidance from the tutor to ensure that it is appropriate. Learners must provide sufficient evidence to meet all the learning outcomes at the required standards. | | |
| Learning outcomes. The learner will: | Assessment criteria. The learner can: | | |
| | Pass | Merit | Distinction |
| 1. Be able to consider appropriate research methodologies in preparation for conducting research | 1.1 Explain the scope and objectives for a valid research question or hypothesis 1.2 Present a proposal that clearly demonstrates a grasp of the question or hypothesis 1.3 Explain the research methods and techniques that will be used | | 1D1 Evaluate the chosen research methods and techniques, showing how they support achievement of the stated objectives |
| 2. Be able to conduct research based on the research question or hypothesis and analyse the findings | 2.1 Use different research methods to gather relevant primary and secondary data to address the research question and hypothesis 2.2 Analyse the information gathered from the data collected | 2M1 Evaluate the strengths and limitations of the data collection and analysis | |

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| 3. Be able to present findings from research investigations | 3.1 Present research findings to a given audience using appropriate formats 3.2 Appraise the relevance and value of information gathered 3.3 Review the validity of the research outcomes against the stated objectives | 3M1 Respond orally to questions on research findings | |
| 4. Be able to review own personal learning | 4.1 Reflect on own learning in carrying out research investigations | 4M1 Identify and analyse actions for improvement in future research projects 4M2 Recommend future opportunities for own professional learning based on outcomes from research investigation and the reflection on own learning | 4D1 Create a plan to improve own skills for future research |

Indicative Content

1. Be able to consider appropriate research methodologies in preparation for conducting research

Research proposal

- Possible questions or hypothesis; proposal identifies the purpose of the research and the objectives; the desired outcomes and scope.
- Research methods e.g. survey, questionnaire, observations; literature review. Application of Saunders' Research Onion; ways to test reliability and validity; definitions of data e.g. primary and secondary sources, qualitative and quantitative; ways to reference sources. Research methods chosen are appropriate. They will enable purpose, objectives and outcomes of the research to be met.

2. Be able to conduct research based on the research question or hypothesis and analyse the findings

- Conduct research, for example; primary sources, secondary sources, sampling.
- Methods of collating information including electronic and paper-based for example; note taking, photographs, video recordings, mind mapping.
- Legal aspects of data collection including confidentiality, data protection, ethics.
- Analysis of data including trend analysis, coding or grouping of types.

3. Be able to present findings from research investigations

Presentation of research findings

- Appropriate report format so research findings are presented logically to aid understanding, for example; title, acknowledgements, contents page, introduction, summary of literature review, research methods used, findings, recommendations, references, bibliography, appendices including questionnaires, surveys, etc.
- Methods for statistical data for example graphs and charts.
- Research leads to realistic recommendations and evaluative conclusions linked to stated objectives of the research.
- Potential audience for example colleagues, external stakeholders and tutors.
- Oral responses need to be detailed, clear, logical and show understanding.

4. Be able to review own personal learning

Own performance

- Examples may include; reflection on methods used, challenges faced, new learning, skills and knowledge used to enable progress, skills and knowledge gap, personal learning and development.
- Use of feedback from others for example colleagues, audience for presentation, those who took part in primary research.
- Actions for improvement should be linked to personal reflection and feedback. They need to be specific, challenging but achievable with timescales and incorporated into future planning.

| Managing Quality and Service Delivery | | | |
|---|---|---|---|
| Unit aims | To enable learners to develop the knowledge and understanding required to manage and deliver excellent customer service. | | |
| Unit level | 6 | | |
| Unit code | T/615/2712 | | |
| GLH | 60 | | |
| Credit value | 15 | | |
| Unit grading structure | Pass/Merit/Distinction | | |
| Assessment guidance | To achieve this unit, learners must achieve the learning outcomes and meet the standard specified by the assessment criteria for the unit. Learners can approach this unit theoretically although the assignment work must be in context and include examples and illustrations from the learner's own experience or research. The work can be applied across the business sectors or in a specific context, for example, public service or healthcare. | | |
| Learning outcomes. The learner will: | Assessment criteria. The learner can: | | |
| | Pass | Merit | Distinction |
| 1. Understand how to identify and meet stakeholder needs when managing quality and service delivery | 1.1 Identify the different stakeholder groups in organisations and describe their expectations for quality and service delivery 1.2 Evaluate the processes used in organisations to identify stakeholder needs | 1M1 Evaluate the importance of identifying stakeholder needs when managing quality and service delivery | 1D1 Assess the impact of poor quality and service delivery for the stakeholders of a named organisation |
| 2. Understand how to manage quality and service delivery | 2.1 Analyse the concept of quality when delivering a service 2.2 Review quality standards which can be used for measuring quality and service delivery 2.3 Explain how quality standards are set, monitored and maintained | 2M1 Assess approaches to quality management and service delivery | 2D1 Analyse the potential issues associated with embedding a chosen approach for achieving quality and service delivery |
| 3. Understand how to embed quality improvement and service delivery | 3.1 Analyse the role of leaders and managers in embedding quality improvement and service delivery 3.2 Explain the issues related to | 3M1 Evaluate the importance of continuous quality improvement in ensuring organisational success | 3D1 Review the implementation of continuous quality improvement and service delivery in a named organisation |

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| | embedding continuous improvement and service delivery and propose possible solutions | | |
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Indicative Content

1. Understand how to identify and meet stakeholder needs when managing quality and service delivery

- Identification of different stakeholder groups and their needs; External customers, Internal customers, Other business stakeholder groups, for example, employees, Perceptions, Expectations, Individual needs.
- Impact of poor quality service; Organisational reputation, Brand loyalty, Organisational position in the market, Meeting of organisational strategic aims, Accountabilities, for example, public sector
–stakeholders, Government; private sectors – shareholders, lenders, Meeting required standards, for example, healthcare impacts of failure in delivering healthcare services, impact on financial figures.
- Meeting the needs of stakeholder groups: Balancing needs of different stakeholder groups, Delivering and measuring excellent service, Setting service standards and Service Level Agreements, The importance of managing and monitoring service delivery, How to manage and record service delivery, customer driven management.

2. Understand how to manage quality and service delivery

- Quality and Quality Standards: Quality definition, Dimensions of quality for service delivery, Quality systems, ISO9000/9001, Other quality systems, for example, IIP Quality management, Total quality management.
- Implementing standards; Excellence model, Theories of quality – Deming, Juran, Crosby, Quality strategies in service delivery, Developing a quality led organisation, Job roles in quality management, Staff involvement in organisational quality management.
- Setting, monitoring and maintaining standards: How standards are set, Implementation of ISO9000/90001, Auditing quality feedback mechanisms, for example, questionnaires and surveys, Good practice in standard setting and methods for evaluating quality, service delivery.

3. Understand how to embed quality improvement and service delivery

- Concept of continuous quality improvement:
 - History in manufacturing and application to service delivery, theories and techniques, for example, Kaizen, Total Quality Management, Lean Production and Lean Management, Deming Cycle, Benchmarking, Pareto analysis, Force Field Analysis, etc.
- Embedding continuous quality improvement and service delivery is required to meet stakeholder: Needs, Perceptions, Expectations.
- Investment in staff and resources
- Value for money and best practice

Embedding and implementation: Encouraging staff involvement and rewarding it, Competence standards, implementing change in the business organisation, Managing and monitoring continuous quality improvement, Performance management.

| Personal Leadership and Management Development | | | |
|--|--|---|--|
| Unit aims | This unit aims to help learners develop their own personal leadership and management skills to support the achievement of organisational objectives and personal progression. | | |
| Unit level | 6 | | |
| Unit code | A/615/2713 | | |
| GLH | 60 | | |
| Credit value | 15 | | |
| Unit grading structure | Pass/Merit/Distinction | | |
| Assessment guidance | <p>Learners must achieve the learning outcomes and meet the standards specified by the assessment criteria for the unit.</p> <p>To achieve the standards for this unit, learners will be required to identify their own skills development needs for leadership and management based on real evidence. Learners must actually apply the plan which is produced so they may need an extended time to carry out this assignment.</p> | | |
| Learning outcomes. The learner will: | Assessment criteria. The learner can: | | |
| | Pass | Merit | Distinction |
| 1. Understand how personal leadership and management skills support the achievement of organisational objectives | 1.1 Evaluate the terms leadership and management and their application in organisations 1.2 Evaluate the personal leadership and management skills required to support achievement of organisational objectives | 1M1 Analyse the impact of organisational objectives, values and cultures on the leadership and management role | 1D1 Analyse the leadership and management skills of a leader in a named organisation |
| 2. Be able to manage development of own personal leadership and management skills to support achievement of personal and organisational objectives | 2.1 Carry out an audit of own personal leadership and management skills 2.2 Set objectives to meet personal development and organisational needs 2.3 Identify and explain opportunities to meet objectives set 2.4 Prepare a personal development plan to develop own leadership and management skills and to support | 2M1 Justify how opportunities selected for the personal development plan support achievement of organisational objectives | . |

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| | organisational objectives 2.5 Carry out appropriate personal development activities in accordance with the plan to develop skills identified in the audit | | |
| 3. Be able to reflect on the effectiveness of personal development plans in developing management and leadership skills | 3.1 Review progress and outcomes of the personal development plan against the objectives set | 3M1 Compare current personal leadership and management skills with the outcomes of original audit | 3D1 Analyse areas for further development and update personal development plan |

Indicative Content

1. Understand how personal leadership and management skills support the achievement of organisational objectives

Organisational objectives:

- Different organisational visions and aims, for example; financial, customer focused, product focused etc.: stakeholder requirements, for example; profitability, ethical operation, legal compliance, strategic plans, accountability of leaders and managers for organisational objectives, impact of organisational type, purpose, values and culture on leadership and management roles, the wider environment requirements affecting organisation.

Personal leadership and management skills:

- Leadership and management characteristics, skills, competence and knowledge required, behaviours, attitudes associated with effective leadership, personal skills.

2. Be able to manage development of own personal leadership and management skills to support achievement of personal and organisational objectives

Development opportunities:

- Coaching, mentoring, networking, professional bodies and professional recognition, formal training, education opportunities, formal qualifications, reflective learning models and techniques, feedback – obtaining, evaluating, using feedback, carrying out different tasks in an organisation, taking on different roles.

Personal development plans:

- Contents of plans – activities, timescales, milestones, deadlines, aims and objectives, writing SMART objectives

Personal development:

- Continual review and reflection, different opportunities for learning including formal (organised training activities) and informal (on-the-job experience, personal reading, learning from colleagues), learning from activities, using feedback on activities, recording achievement

3. Be able to reflect on the effectiveness of personal development plans in developing management and leadership skills

Review:

- Review of original objectives, review of achievement against original objectives, competences and results, importance of review, identifying objectives not yet achieved.

Evaluation:

- Measuring effectiveness, evaluating effectiveness, benchmarking with others.
- Identifying activities that were not effective, areas needing further development.

Further development:

- Further development needs and opportunities, building on success, addressing areas of weakness, updating plans, the importance of continuous development and reflection.

| Financial Decision Making for Managers | | | |
|---|---|--|---|
| Unit aims | The learners will develop knowledge, understanding and skills required to make financial decisions to meet business needs. | | |
| Unit level | 6 | | |
| Unit code | F/615/2714 | | |
| GLH | 60 | | |
| Credit value | 15 | | |
| Unit grading structure | Pass/Merit/Distinction | | |
| Assessment guidance | <p>To achieve this unit, learners must achieve the learning outcomes at the standards specified by the assessment criteria for the unit.</p> <p>This unit has LOs which all commence with 'Be able to' so the learners must do what is required by each of the LOs.</p> <p>The learner work needs to be related to actual business organisations and this will help to demonstrate achievement of the LOs</p> | | |
| Learning outcomes. The learner will: | Assessment criteria. The learner can: | | |
| | Pass | Merit | Distinction |
| 1. Be able to analyse published financial statements to facilitate business decision-making | 1.1 Explain how financial performance is measured in different types of business ownership structures 1.2 Analyse published financial statements to facilitate business decision-making. 1.3 Complete ratio analysis from published financial statements to facilitate business decision-making | 1M1 Assess the effectiveness of ratio analysis as a decision-making tool | 1D1 Critically assess the usefulness of published financial statements when seeking potential investors. |
| 2. Be able to analyse sources of finance to meet business needs | 2.1 Differentiate between long-term and short-term business finance needs 2.2 Review the sources of finance available to business organisations 2.3 Assess the implications of the use of different sources of finance for a specific business organisation | 2M1 Assess the potential risks to a business of using different sources of finance | 2D1 Evaluate the effect of using different sources of finance on the capital structure of a business 2D2 Make and justify recommendations for appropriate sources of finance for a specific business project |

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| 3. Be able to analyse financial information to inform decision making | 3.1 Analyse budgeting and cash flow data to inform business decision making 3.2 Complete a capital investment appraisal for a specific business project 3.3 Interpret capital investment appraisal results | 3M1 Assess the importance of 'discounted cash flow' techniques when analysing financial information to inform decision making 3M2 Interpret capital investment appraisal results and make a justified recommendation | 3D1 Recommend and justify actions a business might take to improve its cash flow position |
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Indicative Content

1. Be able to analyse published financial statements to facilitate business decision-making

- Different forms of business ownership: Sole traders, Partnerships, Private limited companies, Public limited companies, Public sector organisations, Third sector organisations – clubs and societies / charities, Co-operatives, International and multinational businesses.
- Financial statements: Structure of financial statements for different forms of business ownership, Reporting requirements (UK and/or international law/standards).
- Structure, format and requirement of publicly available accounts: Role of auditors, Publicly available accounts vs internal financial records.
- Elements of Public Limited Companies' annual report: Corporate information, Accounting policies, Income Statement, Statement of Financial Position, Statement of Cash Flows, Notes to the financial statements, Chairperson's report, Director's report, Auditor's report.
- Ratio analysis: Profitability, Liquidity, Efficiency, Investor, Gearing.
- Limitations of ratio analysis
- Interpretation: Comparison over time, Comparison with other similar businesses, Comparison against industry benchmarks.

2. Be able to analyse sources of finance to meet business needs

- Business organisations finance needs: Long term requirements – capital investment – purchase of non-current assets, Short term requirements – working capital; revenue income and expenditure; importance of working capital for business organisations.
- Implications: Cost of finance, Effect on financial statements – substance over form, Risk.
- Appropriate sources of finance (External, internal, long-term and short-term): Savings, Reserves, Overdraft, Loan, Leasing, Mortgage, Credit card, Debentures, Hire purchase, Trade credit, Venture capitalist, Share issue, Crowd funding, Advantages and disadvantages of each source of finance.
- Recommendations: Matching appropriate source of finance to business project, Justified recommendations.

3. Be able to analyse financial information to inform decision making

- Cash flow forecasts
- Budgeting: Cash budgets, Budgetary control systems, Budget formation, Cash flow management.
- Capital investment appraisals including discounted cash flows: Payback, Accounting rate of return (ARR), Net present value (NPV), Internal rate of return (IRR).
- Advantages and disadvantages of capital investment appraisal techniques.
- Justified recommendations: Assessment of external factors (e.g. inflation, interest rates, exchange rates, etc.), Assessment of qualitative factors (e.g. legislation, industry standards, staff motivation, stakeholder relationships, etc.), Interpretation of capital investment appraisal results.

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|--|---|--|---|
| Accounting | | | |
| Unit aims | The unit will enable learners to develop knowledge, understanding and skills in financial and management accounting | | |
| Unit level | 60 | | |
| Unit code | J/615/2715 | | |
| GLH | 60 | | |
| Credit value | 15 | | |
| Unit grading structure | Pass/Merit/Distinction | | |
| Assessment guidance | <p>To achieve this unit, learners must meet the learning outcomes at the standards specified by the assessment criteria for the unit.</p> <p>Learners will approach their work from a theoretical and practical perspective making use of exemplar material to illustrate the points which are made. This may be taken from their own experience or from research.</p> | | |
| Learning outcomes. The learner will: | Assessment criteria. The learner can: | | |
| | Pass | Merit | Distinction |
| 1. Understand the principles of financial accounting and reporting | 1.1 Explain the role of accounting concepts and standards in financial accounting 1.2 Explain the characteristics of a Public Limited Company's Income Statement, Statement of Financial Position and Cash Flow Statement 1.3 Evaluate the usefulness of a Public Limited Company's annual report. 1.4 Assess the roles and responsibilities of Directors and Auditors with regard to published company accounts 1.5 Analyse the usefulness of the elements of a Public Limited Company's annual report to company stakeholders | 1M1 Assess how legislation affects business organisations accounting processes | 1D1 Critically review the impact on limited companies of the International Accounting Standards |

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| 2. Be able to apply the principles of financial accounting | 2.1 Complete records for a set of financial transactions using books of original entry, double entry accounts and extract a trial balance 2.2 Prepare financial statements for a range of business organisations 2.3 Evaluate the importance of consolidated financial statements used by groups of companies | 2M1 Assess the importance of accuracy in the double entry accounting process for accurate financial control | 2D1 Critically evaluate the usefulness of financial statements to stakeholders of business organisations |
| 3. Be able to apply management accounting principles and procedures | 3.1 Explain types of costs incurred and pricing methods used by different business organisations 3.2 Prepare and analyse break-even data from business costing information 3.3 Prepare a cash budget from given information | 3M1 Assess the implications of changes in costs and revenue on break-even and budget preparation | 3D1 Critically review the usefulness of management accounting principles and procedures to ensure corporate success |

Indicative Content

1. Understand the principles of financial accounting and reporting

- Accounting Concepts and Standards
 - Fundamental Accounting Concepts (accruals, consistency, going concern and prudence)
 - Generally Accepted Accounting Principles (GAAP's) (e.g. money measurement, historical cost, materiality etc.)
- International Accounting Standards (IAS)
- Elements of Public Limited Companies' annual report: Corporate information, Accounting policies, Income Statement, Statement of Financial Position, Statement of Cash Flows, Notes to the financial statements, Chairperson's report, Director's report, Auditor's report.

- Roles and responsibilities of directors and auditors with regard to published reports. i.e.
 - Directors are required to: select suitable accounting policies and apply them consistently, make judgements and estimates that are reasonable and prudent, state that financial statements comply with IFRS's and appropriate, Accounting Standards, prepare financial statements on the going concern basis.
 - Auditors are required to ensure financial information: is relevant and shows all of the transactions for the financial year, is reliable and does not include errors, represents a true and fair view of the company, helps shareholders make important financial decisions about the company, is comparable with other companies.

2. Be able to apply the principles of financial accounting

- Business Costs: Fixed costs, Indirect costs, Direct costs, Semi-variable costs, Stepped costs, Total costs, Unit costs, Marginal costs.
- Pricing Methods: Cost-plus pricing, Discounting, Competitive pricing.
- Break-even analysis including: Break-even formulae, Contribution per unit, Total contribution, Margin of safety, Contribution to sales ratio, Profit / loss, Break-even charts, Contribution / Sales (profit/volume) charts.
- Budgeting: Types of budgets, Purposes of budgeting, Preparation and revision of budgets, Calculation of variances, Analysis and evaluation of variance results.

3. Be able to apply management accounting principles and procedures

- Business Costs; Fixed costs, Indirect costs, Direct costs, Semi-variable costs, Stepped costs, Total costs, Unit costs, Marginal costs.
- Pricing Methods; Cost-plus pricing, Discounting, Competitive pricing.
- Break-even analysis including; Break-even formulae, Contribution per unit, Total contribution, Margin of safety, Contribution to sales ratio, Profit / loss, Break-even charts, Contribution / Sales (profit/volume) charts.
- Budgeting; Types of budgets, Purposes of budgeting, Preparation and revision of budgets, Calculation of variances, Analysis and evaluation of variance results.

| Managing Finance in the Public Sector | | | |
|---|--|--|---|
| Unit aims | The learners will develop knowledge and understanding of finance and accountability in the public sector. | | |
| Unit level | 6 | | |
| Unit code | L/615/2716 | | |
| GLH | 60 | | |
| Credit value | 15 | | |
| Unit grading structure | Pass/Merit/Distinction | | |
| Assessment guidance | <p>To achieve this unit, learners must meet the learning outcomes at the standard specified by the assessment criteria for the unit.</p> <p>Learners will approach their work from a theoretical perspective and will need to use exemplar material including appropriate financial information to illustrate the points which are made for their chosen national context. This may be taken from their own experience or from research.</p> | | |
| Learning outcomes. The learner will: | Assessment criteria. The learner can: | | |
| | Pass | Merit | Distinction |
| 1. Understand the importance of accountability in public sector finance in a national context | 1.1 Explain the financial regulatory requirements in the public sector 1.2 Assess the accountability of public sector staff when managing finance 1.3 Review publicly available financial information for different public sector organisations 1.4 Analyse the role of audit in the public sector to monitor and control | 1M1 Assess the relationship between central government and public sector organisations | 1D1 Assess the extent to which the methods of controlling public sector finance are sufficient |
| 2. Understand how to manage financial resources in a public sector organisation | 2.1 Review the information needed to manage financial resources in a public sector organisation 2.2 Evaluate how decisions about expenditure are made in a public sector organisation 2.3 Explain how any shortfalls in finance can be managed | 2M1 Assess the extent to which the statutory framework for governing audit in the public sector is effective | 2D1 Evaluate the risks that must be considered when using financial information for decision-making |

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| | <p>2.4 Analyse the systems needed to manage finances in a public sector organisation</p> <p>2.5 Assess the usefulness of ratio analysis and capital investment appraisal for public sector decision-making and control</p> | | |
| 3. Understand how to manage a public sector tender process | <p>3.1 Review the stages of the public sector tender process</p> <p>3.2 Explore how public sector tenders are evaluated, negotiated and awarded</p> | | 3D1 Develop an invitation to tender document for the procurement of public sector services |

Indicative Content

1. Understand the importance of accountability in public sector finance in a national context

- The Public Sector: Definition of the Public Sector, Differences between Private and Public Sectors, Public Sector organisations and their structure in the UK, for example: Local Councils, Police Authorities, QUANGOS, Government agencies, NHS Trusts. International public sector organisations.
- Accountability: Stakeholders including electorate and users. Role of electorate in accountability, Effective use of taxes paid, Value for money, Measures and indicators used to assess the effective use of public finance, how is accountability achieved? Audit, Financial reporting, Legislation, Equality issues.
- Information reported: Reported financial and non-financial performance indicators, Published reports for different organisations, External reports: Care Quality Commission, Audit Commission, Reports from the Houses of Parliament. Sources of public sector income, for example: Taxes, Grants.

2. Understand how to manage financial resources in a public sector organisation

- Public sector management accounting information: Costing and budgeting information, Management accounts, Information on proposed expenditure, Capital expenditure projects, including PFI, Problems of an annual financial cycle.
- Financial monitoring and control: Budgetary process, Variance analysis, Capital and revenue expenditure, Capital and revenue income, Audit process, Review by local and national politicians.
- Financial decision making: Role of Central Government and funding, Information available and required for decision making, Indicators to meet organisational aims or given targets, Non-financial factors in public sector decision making, Capital projects and investment appraisal techniques, Ratio analysis, Cost benefit analysis.

3. Understand how to manage a public sector tender process

- Public Sector Tenders: Tender process, Political issues, Parameters for putting projects out to tender (including government and international / EU requirements), Use of previously approved suppliers, Process for the approval of suppliers, Importance of a fair process (including equality issues), Case studies, for example Thames Link Railway contract.
- Tender evaluation: Criteria to evaluate tenders, Guidelines and parameters to be applied, for example value for money guidelines, Requirements in terms of contractor suitability, for example financial stability, Monitoring and recording of evaluation process, Feedback to unsuccessful suppliers, Case studies, for example MoD contracts.

| Economics for Business | | | |
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| Unit aims | To provide learners with the knowledge and understanding of the economic environment and its impact on how businesses operate. | | |
| Unit level | 6 | | |
| Unit code | R/615/2717 | | |
| GLH | 60 | | |
| Credit value | 15 | | |
| Unit grading structure | Pass/Merit/Distinction | | |
| Assessment guidance | <p>To achieve this unit, learners must meet the learning outcomes at the standard specified by the assessment criteria for the unit.</p> <p>Learners will approach their work from a theoretical perspective and will need to use exemplar material to illustrate the points which are made. This may be taken from their own experience or from research.</p> | | |
| Learning outcomes. The learner will: | Assessment criteria. The learner can: | | |
| | Pass | Merit | Distinction |
| 1. Understand the micro-economic business environment | 1.1 Explain the importance of the micro-economic environment to business organisations 1.2 Analyse business objectives and behaviour in an economic context 1.3 Assess the impact of market structures on business organisations | 1M1 Evaluate the effect of changes in the micro-economic business environment on a specific business organisation | |
| 2. Understand the macro-economic environment in which businesses operate | 2.1 Explain determinants of national income 2.2 Explain the impact of government policies on an economy 2.3 Assess the impact of the macro-economic environment on business organisations | 2M1 Evaluate the effect of changes in the macro-economic business environment on a specific business organisation | 2D1 Evaluate the impact of government policies on a named economy in a specified period of time |
| 3. Understand the implications for business organisations of operating in the international | 3.1 Analyse features of the international economic environment as they relate to business 3.2 Assess the implications for | 3M1 Assess the risks involved in operating in the international economic environment | 3D1 Recommend, with justifications, actions a business organisation can take to minimise the risks of operating in an international |

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| economic environment | business organisations of operating in the international economic environment | | economic environment |
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Indicative Content

1. Understand the micro-economic business environment

- The definitions, concepts and application of the following: Micro economics, Supply and demand, Price determination, Changes in market price, Elasticity of supply and demand, Total, average and marginal revenue, Factors of production, Diminishing returns, Limited resources, Changes in quantity.
- Importance of micro-economic environment
- Business objectives and behaviour: Maximising objectives, Non-maximising objectives, Ethics and profit, Purpose of organisations, Corporate governance, Business behaviour, Product life cycle, Organisational size, Organisational structure – sole trader, partnership, companies, mergers, third sector organisation.
- Market structures: Perfect competition, Monopoly, Monopolistic competition, Oligopoly, Labour and factor markets (UK / EU labour market regulation), Market failure, Market regulation, Competition.

2. Understand the macro-economic environment in which businesses operate

- The definitions, concepts and application of the following: Macro-economics, Measurement and issues, Data sources and reliability, Equilibrium and circular flow, Multiplier, Inflation, Deflation.
- Government policies and their impact: Fiscal policy, Monetary policy, Taxation, Expenditure, Interest rates, Aggregate demand and supply, Supply side policies, Inflation, Unemployment, Balance of payments, Economic growth.
- External Environment: SWOT analysis (Strengths, Weaknesses, Opportunity, Threats), Market research, for example customer opinion surveys, Observation of market activities, for example; competitor actions, current social concerns, proposed government legislation, Business and trade publications, for example keynote reports, Central Government publications, for example Social and regional Trends.

3. Understand the implications for business organisations of operating in the international economic environment

- International Environment: Multinational operations, International trade, Exchange rates, Free trade and protectionism, Trade agreements, Emerging markets e.g. BRIC, Trading blocs e.g. EU, Geographical Areas, for example: European Union, North America, East and South East Asia.
- International Organisations, for example: World Trade Organisation, World Bank, International Monetary Fund.
- Global Monetary Systems.
- Implications: Dealing with local competition, operating in emerging economies, Understanding the challenges of different economic systems, Growth and downturns in the global economy, Global competition, Strategic foreign exchange issues, Global collaboration, Sustainability issues.