APPLIED

WJEC Level 3 Applied Diploma in BUSINESS

REGULATED BY OFQUAL
DESIGNATED BY QUALIFICATIONS WALES

SPECIFICATION

Teaching from 2017
For award from 2019

Version 5 April 2023



SUMMARY OF AMENDMENTS

Version	Description	Page number
2	Learners are allowed **two** resits of each external unit	93
	For internal assessment please consult WJEC's 'instructions for conducting controlled assessment'	97
	Clarification of the 'near pass' rule	101
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3	Further clarification of assessment summary	37
	Clarification of marks	88-90
	Further clarification of assessment summary	91
4	Removal of on-screen examination.	5,6,92,107
5	Unit 4 has been withdrawn	5,57-73, 75-88

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1. INTRODUCTION

1.1. Qualification title and code

This specification covers the following qualification:

WJEC Level 3 Applied Diploma in Business

The Ofqual Qualification Number (listed on The Register) is: 603/0821/7

The Qualifications Wales Designation Number (listed on QiW) is: C00/1177/4

1.2. About WJEC Applied Certificates and Diplomas

WJEC Applied Certificates and Diplomas are Level 3 qualifications that can be taught as standalone qualifications or alongside GCE AS and A Levels and other Level 3 qualifications as part of a programme of study.

They are designed to offer exciting and interesting experiences that focus learning for 16-19 year-old learners through applied learning i.e. the acquisition of knowledge and understanding in purposeful contexts linked to a sector or subject area.
Applied Certificates and Diplomas are characterised by:

- clearly structured content and straightforward assessment criteria
- opportunities for flexible teaching approaches
- regular teacher training courses
- high quality resources including teacher guides and digital resources
- questions and tasks designed to enable candidates to demonstrate what they know, understand and can do
- accessibility of materials
- direct access to subject specialists

Available in the following subject areas and sizes, Applied Certificates and Diplomas support learners progressing to University:

	Certificate (180 GLH)	Diploma (360GLH)	Extended Diploma (720GLH)
Criminology	✓	✓	
Environmental Science		✓	✓
Food Science and Nutrition	✓	✓	
Health and Social Care (England) (new for 2017)	✓	✓	

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Medical Science	✓	✓	
Professional Construction Practice (new for 2017)		✓	✓
Statistical Problem Solving Using Software	✓		
Tourism (new for 2017)	✓	✓	

1.3. About the Qualification

An understanding of the business world is relevant to most job roles within the United Kingdom's economy. This WJEC Level 3 Applied Diploma in Business qualification for England and Wales is designed to provide learners with the underpinning knowledge, understanding and skills associated with business activities. It will prompt research, investigation and review of many aspects of business, to promote an awareness of the career opportunities available.

This is an Applied General qualification. This means it is designed both to support learners progressing to university, and to provide learners with the requisite skills and knowledge to enter the world of work in their chosen sector. It has been designed to offer exciting and interesting experiences that focuses on applied learning, i.e. learning through the acquisition of knowledge and understanding in purposeful contexts linked to the local, regional and national business environment. The qualification would support learners' progression from any study at Level 2, particularly GCSEs in subjects such as Business Studies and Law or the WJEC Level 1/2 Award/Certificate in Retail Business.

There are no formal entry requirements for this qualification. It is designed to be delivered over one or two years, and is likely to be studied by 16-19 year olds in schools or colleges alongside GCE A Levels, as part of a programme of study with other Level 3 Vocational Qualifications, or Welsh Baccalaureate.

One purpose of the WJEC Level 3 Diploma in Business is to use this qualification to support access to higher education degree courses, such as:

- Marketing
- Marketing Management
- Retail Management
- Marketing with Digital Communications
- Business
- International Business
- Management
- Finance
- Business Finance

Alternatively, the qualification allows learners to gain the required understanding and skills to be able to undertake employment within business, including the retail sector. The purpose of the WJEC Level 3 Applied Diploma in Business is to provide learners with an understanding of key business terms, content and concepts. Together with other relevant GCE/Level 3 qualifications, it develops the understanding to support entry to higher education courses in the business sector.

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1.4. Skills development and the Welsh Baccalaureate

The WJEC Level 3 Applied Diploma in Business enables learners to gain essential employability skills that are valued by employers, further and higher education including:

- literacy and numeracy
- digital literacy
- critical thinking and problem solving
- planning and organisation
- creativity and innovation
- personal effectiveness

In Wales, these skills are formally assessed as part of the Skills Challenge Certificate (Welsh Baccalaureate).

1.5. Structure

The WJEC Level 3 Applied Diploma in Business is made up of four units. Candidates complete four units, Units 1, 2, 3 and 5 are mandatory.

Unit 4 has been withdrawn.

Unit number	Unit	Assessment	GLH	M/O	%
1	The Organisation: Survival and Prosperity	Written examination (External)	90	M	25%
2	Active Marketing	Controlled Assessment (Model Assignment) *,** (Internal)	90	M	25%
3	Organisational Strategies and Decision Making	Written examination (External)	90	M	25%
5	Markets and Customers	Controlled Assessment (Model Assignment) *,** (Internal)	90	M	25%
	Key: * Synoptic ** A separate controlled assessment model assignment will be issued for Units 2 and 5				

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1.6. Guided Learning Hours (GLH) and Total Qualification Time (TQT)

Each unit in the WJEC Level 3 Applied Diploma in Business has been allocated a number of Guided Learning Hours (GLH). This is the number of guided learning hours that WJEC expects the centre to provide to support learners to achieve a unit. Guided learning means activities such as classroom-based learning, tutorials and online learning, which is directly supervised by a teacher, tutor or invigilator. It also includes all forms of assessment which take place under the immediate guidance or supervision of a teacher, supervisor or invigilator.

The total number of GLH assigned to the WJEC Level 3 Applied Diploma in Business is 360 hours.

In addition to the GLH, WJEC also specifies a total number of hours that it is expected learners will be required to undertake in order to complete the qualification: this is referred to as the Total Qualification Time (TQT). Activities which contribute to the TQT include independent and unsupervised research, unsupervised coursework, unsupervised e-learning and all guided learning.

The total number of TQT assigned to the WJEC Level 3 Applied Diploma in Business is 540 hours.

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2. UNITS

2.1. Unit format

Unit title

The unit title summarises in a concise manner the content of the unit.

Guided Learning Hours (GLH)

Guided Learning Hours represents only those hours in which a tutor is present and contributing to the learning process. In some organisations this is known as 'contact time'. This time includes lecturers, supervised practical periods and supervised study time.

Aim

The aim provides a brief and clear summary of the unit. It also indicates the applied purpose for the unit.

Unit overview

The overview gives a summary of the unit content. It sets the vocational context of the unit and highlights the purpose of the learning in the unit.

Skills development

This section outlines the specific essential employability skills that will be developed through the unit.

Assessment criteria

The assessment criteria specify the standard a learner is expected to meet to demonstrate that the learning outcomes of that unit have been achieved.

Unit content

The indicative content defines the breadth and depth of learning for an assessment criterion. It is expected that all the indicative content will be delivered during the programme of learning. It is not required to assess every aspect of the content when assessing the unit. Learners will be expected to apply the knowledge, understanding and skills acquired through the learning to the specifics of the assessment context.

In some learning outcomes unit content is given as an example (e.g.). This is used to exemplify the content only and learners can use any examples that they are taught in their summative assessments.

For some assessment criteria, no content is specified. Centres can determine the content to be learned based on local circumstances.

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Performance bands

These are used to determine the summative unit grade. Performance bands do **not** add additional requirements to the assessment criteria. Performance bands are used to determine the grade for a unit.

Assessment

Applied Diplomas are assessed through controlled internal assessment or external assessment. This section of the unit summarises assessment requirements.

Guidance for delivery
This gives the tutor some ideas on how to deliver the units in a vocational setting consistent with the philosophy of the qualification and intent of the unit. A minimum of three sample contexts are provided for each unit. The guidance also gives ideas of vocational settings for the unit and suggests possible contacts that could be made in the delivery of the learning.

Resources
This identifies useful resources to help in the delivery of the learning. Many of the resources listed are suitable for using with learners.

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2.2. Unit 1

Unit title	The Organisation: Survival and Prosperity
GLH	90

Aim
The aim of this unit is for learners to understand and appreciate how different organisations seek to achieve the key goals of surviving and prospering in their market situation.

Overview
Organisations come in so many different forms and sizes, and they exist for a range of reasons. What types of organisations are there in our economy? How do they differ from each other? Why do they need to be different? All organisations also have to be organised and financed, and in order to function efficiently they need to have a suitable internal structure, good communications systems, and reliable employees. How are they organised? How are they financed? How do they communicate both internally and with the outside world? How do they recruit and retain efficient members of staff? We know that organisations are created, owned and controlled by people. There are many reasons why people set up organisations: for example, some are established in order to make profits so that the owners can live, whilst others are created in order to provide services such as health or defence, services which benefit the wider community. Although they vary widely in terms of factors such as size, location and organisation, all organisations will set goals that they believe will help keep them operating. Although individual organisations set individual goals, they all tend to share two key goals that need achieving, goals to which we can also relate: the first goal is to survive in their environment, and the second goal is to prosper in this environment. Knowing about the wide range of organisations in the UK economy, and the reasons why they are difference and why they exist in the first place, acts as the foundation for studying and understanding the world of business. At the end of this unit you will have gained knowledge of the wide variety of organisations in the UK economy, the reasons for their existence, how they function, and you will be able to appreciate the key factors that help these organisations survive and prosper in our economy.

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Skills Development

It is envisaged that the study of this unit will generate opportunities for the development of skills.

Examples of such opportunities are noted below.

Digital Literacy and Literacy and Numeracy: in the carrying out of web-based research into existing organisations and the completion of bespoke formative exercises.

Planning and Organising: in the consideration of how organisations add value through planning.

Creativity and Innovation: in the consideration of entrepreneurial activity.

Personal planning & organising and personal effectiveness: can be developed in order to assist students in their preparation for the unit assessment.

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Learning outcomes, assessment criteria and taught content

Learning outcome	**Assessment criteria**	**Taught content**	**Exemplification**
The learner will:	*The learner can:*	*(learners must be taught the following content)*	(see also Guidance for Teaching)
LO1 Understand the influences on how organisations function within their environment	**AC1.1** Describe and distinguish between the main **sectors and classifications** of the UK economy	**Sectors/classifications of the UK economy** Sectors and classifications by: • activity – primary (agriculture and extractive), secondary (construction, low-medium tech manufacturing, medium-high tech manufacturing), tertiary (wholesale and retail, transport and storage), quaternary/quinary (information and communications, administration and support, arts and entertainment, finance and insurance, other human services) • ownership - public (defence, education, health/social, other), business/private, voluntary/social • legal status - sole traders, partnerships, limited companies, co-operatives, franchises, the public sector • location/frequency - local, regional, national, global	Have knowledge of the different ways of classifying organisations. Have an understanding of the main features of organisations in each sector or classification. Be able to, on being given relevant information, classify a given organisation in terms of its • activity/activities • ownership • legal status • location

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Learning outcome	**Assessment criteria**	**Taught content**	**Exemplification**
The learner will:	*The learner can:*	*(learners must be taught the following content)*	(see also Guidance for Teaching)
	AC1.2 Analyse the relationship between **organisations and their stakeholders**	**Organisations and their stakeholders** • Types of stakeholder (internal and external) • Reasons why organisations exist – to meet the goals of these stakeholders, e.g. to make a profit, to empower their members, to provide a service for individuals/society • The range of, and potential conflict between, stakeholder goals, e.g. high profits versus high wages; short-term profit versus long-term expansion	Have an understanding of how stakeholders can have different influences on, and expectations of, an organisation. Be able to analyse the potential clashes, which could affect an organisation's survival and/or prosperity, that result from different stakeholders having different goals.
	AC1.3 Explain the relationship between an organisation's **ownership, control and financing**	**Ownership, control and financing** • Implications of different legal status and ownership for the control of an organisation • The divorce between ownership and control • Implications of different legal status and ownership for the financing of an organisation – the ability to raise finance, sources available • Key features of sources of finance and their suitability in different situation	Have an understanding of how the legal status and ownership of an organisation influences how it is controlled and financed. Be able to give examples of how organisations operate in terms of their ownership, control and financing. Be able to, on being given specific organisational contexts, suggest and explain appropriate: • internal and external sources of finance • short-term, medium-term and long-term sources of finance

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Learning outcome	**Assessment criteria**	**Taught content**	**Exemplification**
The learner will:	*The learner can:*	*(learners must be taught the following content)*	(see also Guidance for Teaching)
	AC1.4 Discuss the importance and influence of **enterprise** in organisational contexts	**Enterprise** Enterprise in the economy - meaning of 'enterprise' and the nature and relevance of entrepreneurial activity. • Key skills and attributes of entrepreneurs, e.g. identifying business opportunities, willingness to take risks/take advantage of opportunities, having self-confidence and motivation, possessing the ability to inspire, creating/working effectively with teams. • The nature of innovation and its relationship to entrepreneurial activity.	Have an understanding of the key features of 'enterprise' and 'innovation' in a business context. Be able to give examples and descriptions of entrepreneurial and innovative activity on a • local/regional basis • national basis • global basis
	AC1.5 Analyse how the activities of an organisation are influenced by its **mission, aims and objectives**	**Mission, aims and objectives** • Nature of and distinction between mission statements, business aims and business objectives. • The influence of organisation type (e.g. size, profit or not-for-profit) and stakeholder activity (e.g. desire for survival, profit maximisation or optimisation, growth and market share) on how and why mission statements, aims and objectives vary from organisation to organisation. • Monitoring the achievement of organisational goals – e.g. qualitatively through stakeholder surveys, quantitatively through the comparison of actual against target.	Have an understanding of the nature, purpose and variety of mission statements, business aims and SMART objectives. Be able to analyse the interrelationship between the nature/type of organisation and the goals it has been set. Be able to explain how organisational goals will change over time as it moves from survival to prosperity. Be able to, on being given information about organisational performance, suggest and justify appropriate ways to monitor this performance.

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Learning outcome	**Assessment criteria**	**Taught content**	**Exemplification**
The learner will:	*The learner can:*	*(learners must be taught the following content)*	(see also Guidance for Teaching)
	AC1.6 Explain the value to organisations of **business planning**	**Business planning** • Nature, content and sources of information for a business plan/organisational planning. • Relationship of planning to organisational goals. • Relevance of planning to entrepreneurs/to other stakeholders in obtaining resources. • Role of business planning in monitoring organisational performance.	Have an understanding of the nature, purpose and variety of business planning in human, financial, physical and informational contexts. Be able to, on being given information about different organisations, suggest suitable approaches to planning. Be able to explain how planning helps assess resource performance (human, financial, informational, physical) to help achieve an organisation's goals of survival and/or prosperity.

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Learning outcome	**Assessment criteria**	**Taught content**	**Exemplification**
The learner will:	*The learner can:*	*(learners must be taught the following content)*	(see also Guidance for Teaching)
	AC1.7 Evaluate the varying impacts on organisations of their **external environment**	**The external environment** • Impact of external influences on organisations and their responses to them, e.g.: - local, national and international economic factors such as changing income levels, current market conditions/competition - environmental issues such as pollution controls, safe disposal of waste - social and ethical concerns of stakeholders such as increasing demand for vegetarian foods, campaigns to reduce the amount of food waste, views on smoking - legal and self-regulatory constraints such as consumer protection laws, health and safety regulations - technological developments such as videoconferencing, wireless communications • Influence of these factors on the ability of organisations to achieve their goal.	Have knowledge of the following PESTEL-type factors: • political • economic (including industry analysis) • social (including demographic) • technical • environmental (including ecological) • legal • ethical • global/international. Be able to, on being given information about organisations, analyse the effects that PESTEL-related influences are having on these organisations. Be able to evaluate the effectiveness of an organisation's responses to these influences in order to help achieve the goals of survival and/or prosperity.

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Learning outcome	**Assessment criteria**	**Taught content**	**Exemplification**
The learner will:	*The learner can:*	*(learners must be taught the following content)*	(see also Guidance for Teaching)
LO2 Understand how organisations function internally	**AC2.1** Describe the types and roles of the main **organisational functions and structures**	**Organisational functions and structures** • Traditional functional areas and their roles: - production - marketing/selling - buying - finance - human resources - administration - ICT/communications - warehousing/distribution - customer service - research and development • Interrelationships of the functional areas • Function-based hierarchical and other ways to structure organisations – e.g., line & staff, product/matrix, geography/market, hybrid (e.g., functional and geographic), tall or flat • Key generic and functional roles and responsibilities • Structuring work and teams by function or by task/project to achieve organisational goals	Have an understanding of traditional (functional) and non-traditional ways in which organisations can be structured. Have knowledge of the roles of the functional areas and the contribution these make individually and together towards achieving organisational objectives. Have knowledge of the main organisational roles and responsibilities: • owner • director • manager • supervisor • employee Be able to give examples of structures adopted by specific organisations. Have an understanding of how the efficiency of an organisation's structure (including how human resources are structured) helps achieve its goals of survival and/or prosperity.

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Learning outcome	**Assessment criteria**	**Taught content**	**Exemplification**
The learner will:	*The learner can:*	*(learners must be taught the following content)*	(see also Guidance for Teaching)
	AC2.2 Explain the importance of **resources** to organisations	**Resources** • Categorising organisational resources • Resource requirements for different organisations • Role of resources in achieving organisational goals	Have knowledge of the various human, financial, physical and informational organisational resources. Have an understanding of how and why resource requirements vary from organisation to organisation. Be able to give examples of resources being used by specific organisations. Be able to explain how resources help an organisation achieve its goals of survival and/or prosperity.
	AC2.3 Explain the role and importance of **quality initiatives** in organisations	**Quality initiatives** • Meeting customer expectations through quality initiatives in organisations: - TQM - quality assurance - quality control - quality engineering - quality circles - continual improvement/Kaizen - zero defects - customer service initiatives • Reviewing quality	Have knowledge of the different types of quality initiatives adopted by organisations. Be able to give examples of quality initiatives being used by specific organisations. Be able to, on being given information about organisations, suggest and justify suitable quality initiatives to contribute towards an organisation's survival and/or prosperity. Have an understanding of the importance of reviewing quality when monitoring organisational performance.

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Learning outcome	**Assessment criteria**	**Taught content**	**Exemplification**
The learner will:	*The learner can:*	*(learners must be taught the following content)*	(see also Guidance for Teaching)
	AC2.4 Analyse the nature and efficiency of **information and communication**	**Information and communication** • Information systems – - roles: receiving, storing, processing and transmitting information - nature/uses - Communication methods/media: - oral, written, non-verbal, pictorial/graphic - electronic, non-electronic - Criteria for choice of method/media: - accuracy - cost - speed/timeliness - type of content - status and expertise of recipient - security/confidentiality - support/equipment available - Communication and structure - Communication security and legislation: - computer misuse - copyright - data protection - health and safety issues - protection against external agencies - Judging the effectiveness of communication: - message - medium - understandability - obtaining response - suitability/speed of response	Have knowledge of the role of electronic and non-electronic systems. Have an understanding of the nature and uses of communication methods • electronic and non-electronic • internal (horizontal and vertical) and external • formal and informal contexts Be able to apply criteria for selection and use of these methods/media. Have knowledge of how functions or other internal structures communicate with one another. Have an understanding of the influence of the (functional/other) structure of an organisation on its information systems and communication methods/media. Have knowledge of how security and legal factors influence the nature and use of information being communicated. Be able to analyse the effectiveness of business communications in helping an organisation achieve goals of survival and/or prosperity.

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Learning outcome	**Assessment criteria**	**Taught content**	**Exemplification**
The learner will:	*The learner can:*	*(learners must be taught the following content)*	(see also Guidance for Teaching)
	AC2.5 Evaluate the extent to which **ICT** provision supports organisational activities	**ICT and organisations** • Generic business software • Organisations and the internet • Benefits and drawbacks of ICT to: - the organisation – - reduced waste, space saving, productivity increase, improved communication (quality, speed, accessibility), support for decisions - but capital and running costs, problems caused by breakdown, need to service, obsolescence, need for training, health and safety - the employee – - better access to information, improvement in communication (quality, speed, accessibility), able to work from home - but dislike/phobia, reduced human contact, lack of knowledge/inability to use, health and safety considerations	Have knowledge of the functions and organisational uses of a range of electronic business tools: • word processing • database/digital notebook • customer relationship management (CRM) systems • contactless payments • spreadsheet • presentation software • financial software • statistical forecasting • translation software • e-communications/social media. Have an understanding of how and why organisations use the internet. Have an understanding of the effects of ICT provision on the organisation and the individual employee. Be able to evaluate the extent to which ICT helps an organisation achieve its goals of survival and/or prosperity.

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Learning outcome	**Assessment criteria**	**Taught content**	**Exemplification**
The learner will:	*The learner can:*	*(learners must be taught the following content)*	(see also Guidance for Teaching)
LO3 Understand the contribution made by an efficient workforce towards achieving organisational goals	**AC3.1** Explain the importance to organisations of both **employing** suitable people	**Employing people** - Attributes of efficient employees: e.g., - punctuality - politeness - honesty - ability/willingness to work in a team - lack of prejudice - use of initiative • Recruitment/selection procedures used by organisations - identifying the vacancy, creating recruitment documentation (job descriptions, person specifications, CVs, application forms), arranging job advertising, handling applications, shortlisting • Ways to interview candidates – e.g., formal/informal, individual/group, panel, telephone, multi-stage, use of tests (psychometric and aptitude) • Effective interviewing: e.g., planning open and closed questions, giving appropriate answers, using suitable non-verbal communication • Judging the effectiveness of the recruitment process	Have an understanding of what employers look for in employees and of the relative importance of these features in carrying out different job roles efficiently. Have knowledge of the similarities and differences between the recruitment and selection procedures used by different organisations and by the same organisation in different situations. Have an understanding of the influence of equality of opportunity and diversity practices through employee protection and avoidance of discrimination based on race/ ethnicity, colour, nationality, religion, disability, gender/sexual orientation, age, together with other external (PESTEL-type) influences. Have knowledge of the different ways to interview candidates, and of the key characteristics of an effective interview. Be able to explain the importance of effective recruitment, selection and retention in achieving organisational goals of survival and/or prosperity.

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Learning outcome	**Assessment criteria**	**Taught content**	**Exemplification**
The learner will:	*The learner can:*	*(learners must be taught the following content)*	(see also Guidance for Teaching)
	AC3.2 Explain the importance of **training and developing** employees	**Training and developing people** • Types of training and development schemes: - induction - on-the-job - off-the-job (in own training department or external course - mentoring • Accreditation of training – benefits to the business and to the trainee • Monitoring training and development in the workplace	Have an understanding of how opportunities vary from organisation to organisation and from industry to industry. Have an understanding of how the type and suitability of a training or development scheme derives from the job role/responsibilities of the individual. Be able to explain the relevance of effective training and development in achieving both personal and organisational goals.

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Learning outcome	**Assessment criteria**	**Taught content**	**Exemplification**
The learner will:	*The learner can:*	*(learners must be taught the following content)*	(see also Guidance for Teaching)
	AC3.3 Evaluate the effectiveness of the ways in which employees can be **motivated**	**Motivating people** • Main methods used to motivate employees - financial (e.g., salary/wage, bonus, commission, profit-sharing, share option) - non-financial (e.g., perks and status symbols) - goal setting and performance appraisals/ reviews - disciplinary and grievance procedures • Relevance of the work of key motivational theorists to achieving organizational goals: - Mayo - Maslow - Herzberg - McClelland - McGregor	Have knowledge of methods used to motivating employees, and an understanding of how and why these methods vary from organisation to organisation/from industry to industry. Be able to give examples of motivational methods being used by specific organisations. Have an understanding of the motivation-related work of the listed theorists. On being given information about organisations, be able to evaluate the extent to which the work of motivation theorists both informs the work of its employees and contributes to achieving its goals of survival and/or prosperity.

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Assessment summary

This unit is externally assessed. The external assessment will be in June of each year. The specification for the external assessment is as follows:

Duration: 2 hours

Number of marks: 100

Grading: A – E

Weightings of Learning Outcomes:

Generic to all Routes)	LO1	LO2	LO3
%	35% – 45%	35% - 45%	15% - 30%
Marks	35 – 45	35 - 45	15 – 30

Format: Short and extended answer questions based around given contexts.

Guidance for delivery

To understand and appreciate the nature of business, centres need to ensure that the various concepts, theories and content contained in this unit are not delivered merely for their own sake. The delivery of this specification should involve learners in actively experiencing the business environment, treating the concepts, theories and content as a practical foundation for exploring the practical business world to which they are being exposed.

Making teaching vocationally relevant

It is important that learners recognise the knowledge and understanding they develop are vocationally relevant. There are a number of ways this can be achieved:

Example 1

Visits can be arranged to workplaces with which they are familiar – for example, a school or college or an organisation such as a retail outlet – to consider how the workplace is structured, the resources it requires and uses, and the communication methods/media employed.

Example 2

Talks by visiting business speakers can be organised; for example, a local shop manager could talk about how staff are motivated or discuss the organisational relationship between the outlet and its head office.

Example 3

Practical activities centred around a work-based scenario can be undertaken, such as designing a questionnaire to investigate how an organisation is having to adapt/has adapted to the UK leaving the European Union, or the extent to which its employees use and benefit from ICT.

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Example 4

Case studies or case histories can be used: for example, studying a case history of how an organisation motivates its employees.

Example 5

Work experience and other links with local employers can be established to provide the learners with vocationally relevant experiences.

Making contacts

Examples of organisations that may be approached to provide help include:

- major supermarket chains
- voluntary organisations
- sporting clubs

Resources

A key resource will be the learner's local business environment. Learners will need a detailed knowledge of business theory, and textbooks and web-based resources will be valuable.

Books/resource packs

Examples include:

WJEC A Level Business Studies notes

Other resources

Business and business education-related websites will provide relevant information. These include:

The BBC: http://www.bbc.co.uk/news/business

Business in the Community: http://www.bitc.org.uk/

Business Week: http://www.bloomberg.com/businessweek

Times100: https://www.tes.com/member/The%20Times%20100

'Broadsheet' newspapers such as the Guardian, the Telegraph and the Financial Times, and e-magazines such as The Economist contain appropriate business-related articles.

Additional guidance can be found in the document Guidance for Teaching which accompanies this qualification.

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2.3. Unit 2

Unit title	Active Marketing
GLH	90

Aim
The aim of this unit is for learners to understand and appreciate the key role that marketing has in the success of an organisation.

Overview
Unit 1 taught us that there are many different forms of organisations. They differ in size, in location, in the product or service they offer, and so on. We have also seen that organisations tend to have a number of common features: for example, they will have an internal structure, operate using both internal and external communications, and rely on at least one person so that they can function in the economy – in their market. There are many different types of market: we have all visited market buildings in towns and cities or shopped in street market, but there are many other types of market used by organisations, such as the global market for cars in which companies such as Toyota and VW operate. Organisations tend to share at some of the traditional functions that have been outlined in the first unit. One of these functions is marketing. An organisation is created essentially to offer goods and/or services to people. In most cases the organisation is competing with other organisations in a marketplace, and to survive and ultimately prosper, its products must be of interest or value to you and I. First, however, we need to be made aware of these products. To achieve this, an organisation will promote its product, sometimes using media familiar to us such as TV to do so. The organisation is also tasked with getting the product to us: it's no good telling us about the product's virtues if we're then unable to buy it – and, of course, the product has to be priced appropriately for us to be interested in it. But how does an organisation know what we want? It has to ask questions: in other words, it needs to carry out some form of market research. To understand business further, we therefore need to study the marketing function. At the end of this unit you will have gained knowledge and understanding of the range and nature of markets, the importance of market research, and how organisations have to plan their marketing activities by considering what makes up their 'marketing mix'.

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Skills Development

It is envisaged that the study of this unit will generate opportunities for the development of skills.

Examples of such opportunities are noted below.

Digital Literacy and Literacy: in the carrying out of web-based research into organisations and the completion of bespoke formative exercises.

Numeracy: in the consideration of quantitative aspects of market research and price (strategies, influence and contributions) and their roles within organisational activity.

Creativity and Innovation: in the general study of marketing and in the specific product, price, place, promotion, people, process and physical evidence.

Critical thinking and problem solving: in the consideration of marketing problems and examples of ways in which such problems have been approached and solved historically to the benefit of organisations.

Personal planning & organising and personal effectiveness: can be developed in order to assist students in their preparation for the unit assessment.

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Learning outcomes, assessment criteria and taught content

Learning outcome	**Assessment criteria**	**Taught content**	**Exemplification**
The learner will:	*The learner can:*	*(learners must be taught the following content)*	(see also Guidance for Teaching)
LO1 Understand the importance of sales, marketing and customers to organisations	**AC1.1** Explore the relationship between **markets, marketing and selling**	**Markets, marketing and selling** • Markets: - physical consumer (e.g., food and other retail, auction) - physical business (industrial goods, wholesale, labour) - non-physical/virtual (media, internet) - sales market classifications (e.g., retail, hospitality, business, voluntary, public sector) - financial - unauthorised/illegal • Mass, digital and niche markets • Selling and marketing: - their functions/purpose - key job roles/responsibilities - areas of synergy and conflict • Generic marketing goals: e.g., - identifying consumer needs - effective liaison with customers - offering marketable products	Have knowledge of how market can be classified by type and characteristics. Be able to give examples of specific organisations, their market(s) and broad position in the market(s). Have an understanding of the factors influencing whether an organisation adopts mass, digital or niche marketing. Have knowledge of the relationship between sales and marketing. Have an understanding of the main marketing goals and the extent to which they are common to all organisations. Examine the relationship between the nature of an organisation's marketing and the selection and achievement of its marketing goals. ***Synoptic links: Learners should also understand the connections to enterprise (Unit 1 AC 1.4) and the external environment (Unit 1 AC 1.7), as well as to the skills of Creativity and Innovation.***

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Learning outcome	**Assessment criteria**	**Taught content**	**Exemplification**
The learner will:	*The learner can:*	*(learners must be taught the following content)*	(see also Guidance for Teaching)
	AC1.2 Assess how organisations are influenced by the fact that **customer**s are key to their success	**Customers** • Customer types: - individual customers - customer groups - customers with special needs - domestic and business customers - customers in the UK and overseas • Customer needs when buying products, e.g., - examining product characteristics - obtaining product and after-sales service information - assessing product suitability for use • Customer service: - providing information - assisting and advising - solving problems - handling complaints - keeping records - helping obtain finance - carrying out after-sales service • Customer service, the product and the competition	Have an understanding of the main customer types. Be able to give examples of how specific organisations segment their customers (e.g. age, gender, lifestyle, occupation; psychographic, demographic and firmographic (B2B). Be able to explain the link between customer needs and the product (both essential and non-essential). Have knowledge of the main features of customer service. Be able to assess why these features vary depending on the product's features/complexity and competitive forces existing in the market. ***Synoptic links: Learners should also understand the connections to stakeholders (Unit 1 AC 1.2) and quality initiatives (Unit 1 AC 2.3), as well as to the skills of Creativity and Innovation.***

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Learning outcome	**Assessment criteria**	**Taught content**	**Exemplification**
The learner will:	*The learner can:*	*(learners must be taught the following content)*	(see also Guidance for Teaching)
LO2 Understand the role and importance of market research to organisations	**AC2.1** Evaluate the effectiveness of **market research** information	**Market research** • Reasons for research • Types of research: - primary (qualitative and quantitative) - secondary • Primary methods: e.g. - interviews - customer feedback questionnaires - consumer panels - customer observation - test marketing • Secondary methods: e.g. - data/information from within the organisation - industry-based and government publications - commercial reports • Information gained: - customer needs - product suitability - competitor performance • Market research and the marketing strategy	Have knowledge of why organisations research their market(s). Be able to describe and give examples of primary and secondary methods, and qualitative and quantitative methods of market research. Be able to evaluate the usefulness of information obtained through market research, relating to an organisation's customers, products and/or market, by considering features such as its cost, timeliness, sufficiency and suitability. Have an understanding of the role played by market research in the marketing strategy of an organisation. ***Synoptic links: Learners should also understand the connections to business planning (Unit 1 AC 1.6), Resources (Unit 1 AC 2.2) and information/communication (Unit 1 AC 2.4 and 2.5), as well as to the skill of Numeracy.***

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Learning outcome	**Assessment criteria**	**Taught content**	**Exemplification**
The learner will:	*The learner can:*	*(learners must be taught the following content)*	(see also Guidance for Teaching)
LO3 Understand the nature and importance to organisations of the marketing mix	**AC3.1** Explore the nature, functions and interrelationship of the different elements in the marketing mix: **3.1a 'Product'**	**Product** • Product features, benefits, USP • Product differentiation: - basic (core) function - additional features - product support • The product life cycle and product portfolio • Mapping product positioning • Research into products: - developing new products - enhancing and extending the life of existing products. • Contribution made by suitable products towards achieving marketing goals	Have knowledge of how products can be categorised by features/USPs and expected benefits to the buyer. Have an understanding of how products can be differentiated. Have an understanding of the link between product life cycle analysis and an organisation's product portfolio. Be able to map and explain the relationship between an organisation's products and those of its competitors. Be able to explain the nature and importance of new product development and product enhancement/extension strategies. Be able to judge how an organisation's products help it achieve its marketing goals. ***Synoptic links: Learners should also understand the connections to Stakeholders (Unit 1 AC 1.2) and Quality (Unit 1, AC 2.3), as well as to the skills of Critical thinking and Problem-solving.***

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Learning outcome	**Assessment criteria**	**Taught content**	**Exemplification**
The learner will:	*The learner can:*	*(learners must be taught the following content)*	(see also Guidance for Teaching)
	3.1b 'Price'	**Price** • Price strategies for new products: e.g., - skimming - penetration - market-led pricing • Price strategies for existing products: e.g., - price leader or price follower predatory pricing • The influence of costs on price: - cost-related factors (cost-plus pricing and contribution pricing) • Influence of price and other factors on customers: e.g., - product features - product availability - product quality - competition - availability of substitutes • Contribution made by effective pricing strategies towards achieving marketing goals	Be able to explain the factors that lead to organisations adopting price strategies for new and existing products. Have an understanding of the influence of cost-related factors on prices set. Be able to explain how customers are influenced by both prices and other factors. Be able to judge how an organisation's pricing strategies help it achieve its marketing goals. ***Synoptic links: Learners should also understand the connections to FInancing (Unit 1 AC 1.3) and Quality (Unit 1, AC 2.3), as well as to the skill of Numeracy.***

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Learning outcome	**Assessment criteria**	**Taught content**	**Exemplification**
The learner will:	*The learner can:*	*(learners must be taught the following content)*	(see also Guidance for Teaching)
	3.1c 'Place'	**Place** • Importance of 'place' • Choice of distribution channels/strategies: - direct and indirect distribution - physical and virtual • Influence of the level of penetration: - intensive channels - selective channels - exclusive channels - social media/web-based • Role of franchising in distribution: - the franchisor - the franchisee - benefits of franchising to both parties • Measuring the efficiency of distribution • Contribution made by an efficient 'place' strategy towards achieving marketing goals	Have knowledge of why it is important to position and distribute the product. Have an understanding of factors that determine an organisation's choice of distribution channels/strategies. Be able to give examples of how organisations distribute their products, and the reasons for such distribution. Have knowledge of the role and value of, and be able to give examples of, franchising in distributing products. Have an understanding of how the efficiency of distribution can be measured by comparing the channel-mix coverage against total distribution cost. Be able to judge how an organisation's distribution strategies help it achieve its marketing goals. ***Synoptic links: Learners should also understand the connections to ICT (Unit 1 AC 2.5), as well as to the skills of Critical thinking and Problem-solving.***

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Learning outcome	**Assessment criteria**	**Taught content**	**Exemplification**
The learner will:	*The learner can:*	*(learners must be taught the following content)*	(see also Guidance for Teaching)
	3.1d 'Promotion'	**Promotion** • Purposes of promotion • Elements of the promotional mix: - advertising - sales promotion - public relations/sponsorship - direct marketing - personal selling • Types of promotion: - above-the-line (direct advertising via independent media) - below-the-line (direct control, e.g. loyalty cards, in-store vouchers, competitions) • Influences on the selection of media: - cost/marketing budget - target audience - stage in the life cycle - type/degree of competition - product availability - product differentiation - availability/use of social media and communications technology • Role of merchandising • Types of merchandising: - in-store and online - POS methods, e.g. display techniques, free samples, on-the-spot demos, pricing, special offers • Contribution made by efficient promotion towards achieving marketing goals	Have knowledge of the purpose of promotion: e.g., - build awareness - create interest - provide information - stimulate demand - differentiate product - reinforce brand Have an understanding of the main elements in the 'promotional mix'. Be able to describe, distinguish between and give organisation-based examples of above-the-line and below-the-line promotion. Have an understanding of, and give organisation-based examples of, how promotional media are selected. Have knowledge of the role and the types of merchandising used by organisations. Be able to judge how an organisation's promotional strategies help it achieve its marketing goals. ***Synoptic links: Learners should also understand the connections to Stakeholders (Unit 1 AC 1.2) and Communication (Unit 1 AC 2.4), as well as to the skills of Digital Literacy and Literacy.***

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Learning outcome	**Assessment criteria**	**Taught content**	**Exemplification**
The learner will:	*The learner can:*	*(learners must be taught the following content)*	(see also Guidance for Teaching)
	3.1e 'People', 'Process' 'Physical evidence'	**People, Process and Physical evidence** • Role of 'People', 'Process' and 'Physical evidence': - (People) customers coming into contact with an organisation's employees - (Process) customers investing in more than the product - (Physical evidence) customers benefit from being able to 'see' what they are buying • Function of each element within the mix • Contribution that each makes towards achieving marketing goals	Have knowledge of the roles of these three Ps in the marketing mix. Be able to explain the contribution made by each of these elements to an efficient marketing mix. Be able to judge how 'People', 'Process' and 'Physical evidence' each helps an organisation to achieve its marketing goals. ***Synoptic links: Learners should also understand the connections to External Environment (Unit 1 AC 1.7), Communication (Unit 1 AC 2.4), Employing (Unit 1 AC 3.1) and Motivating (Unit 1 AC 3.3)***
	AC3.2 Evaluate the role played by the **marketing mix** in the overall **marketing strategy**	**Marketing mix and the marketing strategy** • Relationship between the mix and an organisation's goals • Role played by the marketing mix in the marketing strategy	Explain the relationship between an organisation's marketing mix and its goals. Be able to evaluate the role played by an organisation's marketing mix in its marketing strategy. ***Synoptic links: Learners should also understand the connections to Mission, Aims and Objectives (Unit 1 AC 1.5), External Environment (Unit 1 AC 1.7) and Resources (Unit 1 AC 2.2), as well as to the skills of Creativity and Innovation.***

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Performance bands

Learning outcome	**Assessment criteria**	**Band 1** **1 – 6 marks**	**Band 2** **7 – 12 marks**	**Band 3** **13 – 18 marks**	**Band 4** **19 – 24 marks**
		Where there is no evidence or work is not worthy of credit – 0 marks			
LO1 Understand the importance of sales, marketing and customers to organisations	**AC1.1** Explore the relationship between markets, marketing and selling.	Describes main features of markets, marketing and selling.	Explains the main features in context.	Analyses how the organisation's markets, marketing and selling interlink.	Examines the interrelationship of the organisation's markets, marketing and selling in the context of achieving its marketing goals.
	AC1.2 Assess how organisations are influenced by the fact that customers are key to their success.	Describes some customer-related factors but lacks illustration and/or context.	Explains the influence of these customer-related factors with relevant examples and in clear context.	Analyses the interrelationship between the organisation's customers and the provision of its products	Assesses the effectiveness of the responsiveness of the organisation to its evolving customer base.

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Learning outcome	**Assessment criteria**	**Band 1** **1 – 6 marks**	**Band 2** **7 – 12 marks**	**Band 3** **13 – 18 marks**	**Band 4** **19 – 24 marks**
		Where there is no evidence or work is not worthy of credit – 0 marks			
LO2 Understand the role and importance of market research to organisations	**AC2.1** Evaluate the effectiveness of market research information	Describes the relevance of market research information.	Explains the relevance and effectiveness of the market research information.	Analyses the market research, and supports with a range of appropriate illustrations.	Evaluates effectiveness through considering role and importance, together with full justifications.
LO3 Understand the nature and importance to organisations of the marketing mix	**AC3.1** Explore the nature, functions and interrelationship of the different elements in the marketing mix	Describes the nature of the 7Ps.	Explains nature and functions, and supports with relevant examples.	Analyses nature and functions in detail, and considers the relevance to the organisation of their interrelationship.	Assesses how effectively the organisation utilises the 7Ps to achieve its goals.
	AC3.2 Evaluate the role played by the marketing mix in the overall marketing strategy	Describes the role played by the marketing mix.	Explains the importance of the role of the mix in the overall marketing strategy.	Analyses the role in the context of the organisation's external environment.	Evaluates the role, arguments being fully supported by evidence and examples.

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Assessment summary

This unit is internally assessed.

Tasks have a maximum of 72 marks, and are linked to Assessment Criteria as follows.

- Tasks 1a and 1b are linked to AC 1.1, and each Task has a maximum of 8 marks.
- Task 1c is linked to AC 1.2 and also has a maximum of 8 marks.
- Tasks 2a and 2b are linked to AC 2.1, and each Task has a maximum of 12 marks.
- Tasks 3a and 3b are linked to AC 3.1, and each Task has a maximum of 8 marks.
- Task 3c is linked to AC 3.2 and also has a maximum of 8 marks.

For detailed information on how the Learning Objective marks are awarded for Unit 2, please see pages 24 – 28 of the SAMs – Internal document on the website.

Guidance for Delivery

To understand and appreciate the role that marketing plays in business, centres need to involve learners to actively investigate marketing in business.

As in Unit 1, learners have to recognise that the knowledge and understanding they develop about marketing is vocationally relevant. Visits can be arranged to retail and other organisations to experience, carry out research about and/or discuss with employees these organisations' present marketing mix activities, aims and objectives.

Making teaching vocationally relevant

It is important that learners recognise the knowledge and understanding they develop are vocationally relevant. There are a number of ways this can be achieved:

Example 1

Talks by visiting marketing specialists or other business people can provide insightful information; for example, a local retail franchisee could explain the approach to customer service being used, and outline and appraise the marketing-related support being received from the franchisor organisation.

Example 2

Practical activities centred around a work-based scenario can be undertaken, such as designing a questionnaire to investigate how an organisation is having to adapt/has adapted to the UK leaving the European Union, or the extent to which its employees use and benefit from ICT.

Example 3

Marketing case studies or case histories can be used to good effect: they are freely available on websites (2016), including Kellogs's approach to the marketing mix and how Unison uses promotion to campaign for public services (see http://businesscasestudies.co.uk/).

Example 4

Marketing and retail-related work experience and other links with local employers can be established to help the learners gain better vocational knowledge and understanding.

Links with topic areas in Unit 1 can be made, and are encouraged. For example, when considering the range of markets in which an organisation operates or the nature of this organisation's customer service, there are obvious areas to be explored such as how the organisation is structured, its stakeholders, and the role and relevance of the entrepreneurial function.

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Making contacts

Examples of organisations that may be approached to provide help include:

- major supermarket chains
- local manufacturing organisations
- major coffee outlets

Resources

The topic of marketing is a really accessible one for learners, largely as the result of their everyday lives and experiences. It is therefore appropriate that learner experience should form a key resource for the learning process in this unit.

Books/resource packs

Examples include:

Blick D, The Ultimate Small Business Marketing Book (Filament 2011) ISBN-13 978-1905493777

Kitchen T and Ivanescu Y, Profitable Social Media Marketing 2nd ed (CreatSpace 2015) ISBN-10 1519611925

Ryan D, Understanding Digital Marketing 3rd ed (Kogan Page 2014) ISBN-10 0749471026

Other resources

The internet should be treated as a valuable resource for this unit. As an example, the websites (2016) of market research organisations can be explored and utilised in research activities, such as:

https://www.b2binternational.com/ B2B International – includes blogs and press articles

http://www.mintel.com/ Mintel – contains blog, B2B and other reports

http://redshiftresearch.co.uk/ Redshift Research – blog and case studies.

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2.4. Unit 3

Unit title	Organisational Strategies and Decision Making
GLH	90

Aim
The aim of this unit is for learners to recognise and understand the necessity to organisations of establishing a strategy and making decisions to support that strategy.

Overview
This unit acknowledges that organisations are run by people with a variety of backgrounds and specialisms. It also recognises that, if an organisation is to survive and succeed, the people running it have to establish a strategy (a long-terms goal or plan) and make a series of decisions that will enable the organisation to carry out this strategy. Decisions need to be made about the organisation's finances, to ensure it can meet its financial obligations (solvent), it is profitable (or, for a non-profitmaking organisation, it generates a surplus of income), and it remains liquid – it is able to convert assets into cash. It achieves this through, for example summarising its financial performance, forecasting and measuring business profitability, solvency/liquidity and efficiency, and supporting capital expenditure decisions through investment appraisal. Decisions relating to the organisation's marketing strategy are made to gain a competitive advantage over the competition by price, value or service. Marketers in the organisation will, for example, apply models and theories to the current marketing situation, try to forecast future performance, and take account of 21st century marketing-related developments. In this unit you will therefore be introduced to, and learn about, ideas, concepts, models and techniques that in practice help people who work in finance and marketing make important decisions.

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Skills Development

It is envisaged that the study of this unit will generate opportunities for the development of skills, as the unit incorporates two specialist areas – Finance and Marketing – these may additionally provide unique opportunities for further skills development. Examples of such opportunities are noted below.

Finance

Numeracy: in the consideration and application of financial concepts. **Digital Literacy** may also be developed where associated software is utilised.

Marketing

Numeracy: may be developed in the consideration of sales forecasting and in researching organisations. It is highly likely that **Digital Literacy** skills will also be developed through the consideration of organisations approaches to digital marketing. **Critical thinking and problem solving** can be considered in studying the approaches organisations have taken to marketing problems they have faced, whereas bespoke formative exercises can help their application. Development exercises could be set which require **creative and innovate** approaches in the generation of technology based solutions.

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Learning outcomes, assessment criteria and taught content

Learning outcome	**Assessment criteria**	**Taught content**	**Exemplification**
The learner will:	*The learner can:*	*(learners must be taught the following content)*	(see also Guidance for Teaching)
LO1 Understand how organisations might use different business information to help formulate suitable strategy	**AC1.1** Explain the purpose of formulating **organisational strategy**	**Organisational strategy** • Factors influencing choice of strategy • Range and purpose/examples - Financial strategy – to meet financial obligations (solvent), to be profitable (or positive income-generating for non-profitmaking organisations), to be liquid (able to turn assets into cash) - Marketing strategy – to gain a sustainable competitive advantage by price, value or supporting service • Interrelationship/interdependence of strategies	Have an understanding of how factors such as an organisation's mission statement, market(s)/product(s) and information sources help determine the strategies it follows. Be able to explain the purpose of the strategies in relation to an organisation's finance and marketing operations, and how these are interdependent in practice.

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Learning outcome	**Assessment criteria**	**Taught content**	**Exemplification**
The learner will:	*The learner can:*	*(learners must be taught the following content)*	(see also Guidance for Teaching)
	AC1.2 Explain how information about **profitability, liquidity and solvency** can be used by organisations	**Profitability, liquidity and solvency** • Difference between profit and profitability and between cash and liquidity/solvency • Importance of profitability, liquidity, solvency • Measuring profitability/return on capital - mark-up and margin – difference and calculation • Measuring liquidity/solvency	Have an understanding of profit, profitability, margin and mark-up, cash, liquidity and solvency. Be able to calculate profit and cash balances, profitability and liquidity ratios, mark-ups and margins. Have an understanding of the importance to organisations of measuring and monitoring profit and profitability, cash flow and liquidity/solvency.
	AC1.3 Explain how information about **budgeting** can be used by organisations	**Budgeting** • Purpose of budgeting – plan, communicate, co-ordinate, motivate • Budgetary control aspect, through comparing actual against budget • Main types and how they link to finance and marketing	Have an understanding of how budgeting and budgetary control support organisational activities. Be able to explain how budgeting and budgetary control supports the finance and marketing functions.

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Learning outcome	**Assessment criteria**	**Taught content**	**Exemplification**
The learner will:	*The learner can:*	*(learners must be taught the following content)*	(see also Guidance for Teaching)
	AC1.4 Explain how information about actual or potential **economies of scale** can be used by organisations	**Economies of scale** • Internal – financial, marketing, technical and workforce specialisation, managerial, purchasing, increased dimensions • External – labour/skills, co-operation, reputation, training, R&D, component support, agglomeration economies • Diseconomies of scale	Have an understanding of the nature and types of internal and external economies of scale. Be able to explain the benefits of both internal and external economies of scale to organisations, and the problems associated with diseconomies of scale.
	AC1.5 Explain how information expressed as **index numbers** can be used by organisations	**Index numbers** • Fixed base indexes: nature, uses/limitations • Relevance in finance and marketing • Choice of base year • Calculation and interpretation	Be able to construct and manipulate fixed-base index numbers. Be able to use the results to compare performance in different situations. Be able to explain how index number-based information supports the finance and marketing functions.

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Learning outcome	**Assessment criteria**	**Taught content**	**Exemplification**
The learner will:	*The learner can:*	*(learners must be taught the following content)*	(see also Guidance for Teaching)
LO2 Understand how using or applying different techniques, models and concepts can support organisational decision-making	**AC2.1** Examine how **SWOT analysis** supports decision-making in organisations	**SWOT analysis** • Purpose/value of as a basis for decision-making, relationship with PESTEL • Contribution towards financial and marketing policies	Have an understanding of how SWOT assists decision-making through internal (SW) and external (OT) analyses. Be able to examine how information from SWOT analysis can support financial and marketing policies.
	AC2.2 Examine how the **product lifecycle** supports decision-making in organisations	**Product lifecycle** • Stages and use • Finance focus – cost allocation and apportionment, profitability at each stage, save costs by dropping 'unprofitable products' or keep a full product portfolio • Marketing focus – marketing for each stage; add value/extension strategies/new markets • Limitations	Have an understanding of product life cycle stages, uses, interpretations and limitations. Be able to examine its relevance to the financial and marketing activities of organisations.

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Learning outcome	**Assessment criteria**	**Taught content**	**Exemplification**
The learner will:	*The learner can:*	*(learners must be taught the following content)*	(see also Guidance for Teaching)
	AC2.3 Examine how **breakeven analysis** supports decision-making in organisations	**Breakeven analysis** • Use, construction/visual display, calculation • Finance focus – cost types (fixed, variable) and realities (semi-variable, stepped, cost behaviour over time/output), contribution analysis, profit/profitability, margin of safety • Marketing focus – effects on breakeven from varying price/changing promotion • Limitations	Have knowledge of how to construct a breakeven chart, and how to both plot and calculate the breakeven point and profit/loss. Have an understanding of its uses, interpretation and limitations. Be able to examine its relevance to the activities of organisations in financial and marketing contexts.

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For candidates choosing to sit the Finance section of the examination paper

Learning outcome	**Assessment criteria**	**Taught content**	**Exemplification**
The learner will:	*The learner can:*	*(learners must be taught the following content)*	(see also Guidance for Teaching)
LO3 Understand how using or applying specific financial techniques and concepts can support organisational decision-making	**AC3.1** Assess the relevance of **financial statements** and **ratio analysis** to organisational decision-making	**Financial statements and ratio analysis** • Profit - role, categories and calculation • Financial statements (final accounts) - types, purpose - interpret simple income statements and balance sheets – cost of sales, gross profit, profit for the year (NP), non-current (fixed) assets, current assets and liabilities, net current assets (working capital), non-current (long-term) liabilities, capital; cash flows (+/-) from operating, investing and financing activities • Influence of concepts on construction • Calculation and meaning: profitability and liquidity; rate of inventory (stock) turnover; receivables collection (debtors to sales) and payables collection (creditors to cost of sales) periods; asset turnover; gearing • Value and limitations of ratio analysis	Review the role profit plays in the private sector. Have knowledge of its calculation, using both financial statements and breakeven analysis. Have an understanding of the purpose, layout and interpretation of a cash flow statement, an income statement and a balance sheet. Be able to explain the influence on the construction of these statements of the Going Concern, Accruals (Matching), Consistency and Prudence concepts. Review current, acid test; ROCE, gross profit margin and net profit in relation to revenue (NP margin) ratios. Be able to calculate these and other ratios and to analyse their results. Be able to assess the value and limitations of carrying out ratio analysis.

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Learning outcome	**Assessment criteria**	**Taught content**	**Exemplification**
The learner will:	*The learner can:*	*(learners must be taught the following content)*	(see also Guidance for Teaching)
	AC3.2 Assess the relevance of **forecasting and budgeting** to organisational decision-making	**Forecasting and budgeting** • Cash flow forecasting - use and importance - construct and comment on trends/cash deficits and surpluses, their likely causes, actions to remedy deficit/to gain from surplus • Budgeting and budgetary control - setting simple revenue, cost, cash and capital expenditure budgets - variance analysis – sales (total, volume, price), materials (total, usage, price) and labour (total, rate, efficiency) • Flexible budgeting - cost behaviour of fixed, variable, semi-variable and stepped costs - preparing flexible budgets at different levels of activity - calculating and analysing variances • Costing - marginal, standard and absorption costing - cost-based methods to set price - using marginal costing contribution analysis to make decisions relating to special orders, 'make or buy' contexts, and whether to end unprofitable sites or products	Review cost types, budgeting and budgetary control, main budgets. Have knowledge of the difference between cash flow forecasts, cash flow statements and cash budgets. Be able to construct and analyse cash flow forecasts. Have an understanding of how the main revenue and capital budgets are set. Be able to calculate, comment on and suggest reasons for variances. Have knowledge of cost behaviour, the cost-profit-price relationship, and cost-based methods used to set prices. Be able to construct flexible budgets and comment on any variances. Be able to explain the purpose of, and the difference between, marginal, standard and absorption costing. Be able to carry out contribution analysis. Be able to assess the value and limitations of forecasting and budgeting.

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Learning outcome	**Assessment criteria**	**Taught content**	**Exemplification**
The learner will:	*The learner can:*	*(learners must be taught the following content)*	(see also Guidance for Teaching)
	AC3.3 Assess the relevance of **investment appraisal** to organisational decision-making	**Investment appraisal** • Factors influencing choice • Methods - calculation/use - value and limitations	Have knowledge of the main investment appraisal techniques and when they are used. Be able to calculate and analyse the results of: - payback - accounting rate of return (ARR) - discounted cash flow (DCF), both internal rate of return (IRR) and net present value (NPV). Be able to assess the value and limitations of investment appraisal methods.

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For candidates choosing to sit the Marketing section of the examination paper

Learning outcome	**Assessment criteria**	**Taught content**	**Exemplification**
The learner will:	*The learner can:*	*(learners must be taught the following content)*	(see also Guidance for Teaching)
LO3 Understand how using or applying specific marketing-related techniques, models and concepts can support organisational decision-making	**AC3.1** Assess the relevance of **marketing models** to organisational decision-making	**Marketing models** • Porter's generic market strategies - differentiation and cost leadership strategy, differentiation and cost leadership focus - relevance in marketing • Porter's five forces framework - relevance in marketing - value and limitations • Ansoff's Matrix - relevance in marketing - value and limitations • BCG Matrix - relevance to marketing - value and limitations • Market positioning - relevance in marketing - value and limitations	Be able to explain each of the five marketing models. Be able to analyse the relevance of: - generic market strategies to competitive advantage and strategic direction in marketing - the five forces framework when judging the level of competition - the Ansoff Matrix to devising strategies for product and market growth - the 'Boston Box' to the product portfolio of an organisation - Market positioning to influencing consumer perception in markets. Be able to assess the value and limitations of each model.

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Learning outcome	**Assessment criteria**	**Taught content**	**Exemplification**
The learner will:	*The learner can:*	*(learners must be taught the following content)*	(see also Guidance for Teaching)
	AC3.2 Assess the relevance of **sales forecasting** to organisational decision-making	**Sales forecasting** • Reasons for sales forecasting • Causes of difference between forecast and actual sales, e.g., inaccuracy, competitor actions, related PESTEL factors • Time series analysis - components – trend, seasonal, cyclical and random variations - calculation using moving average - application, value and limitations • Other methods/related activities - customer information (consumer panels, focus groups, mystery shoppers, observation, questionnaires/interviews, test marketing, social media analytics) - expert opinion/Delphi method - sales force opinions - application, value and limitations • Sampling and data collection for sales forecasting/market research - reasons for sampling - defining the population – determining characteristics, sampling frame and sample size/representativeness - sampling methods, when and why used - application, value and limitations	Have an understanding of why organisations create sales forecasts. Have knowledge of how differences arise between actual and forecast sales. Be able to explain the nature and components of time series analysis. Be able to carry out time series analysis using moving averages. Have an understanding of other methods used to collect information for sales forecasting/market research. Be able to explain the reasons for, and applications of, sampling in sales forecasting/market research. Have knowledge of sampling methods and be able to analyse their use: - simple random (probability) - quasi-random and non-random (systematic, stratified, multi-stage, cluster, quota, convenience). Be able to assess the value and limitations of the various methods used to forecast sales.

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Learning outcome	**Assessment criteria**	**Taught content**	**Exemplification**
The learner will:	*The learner can:*	*(learners must be taught the following content)*	(see also Guidance for Teaching)
	AC3.3 Assess the relevance of **digital marketing** to organisational decision-making	**Digital marketing** • Growth and importance • Range and features • Comparison with traditional marketing - channels/methods allowing real-time monitoring and analysis - the digital consumer • Creation of social media analytics (SMA) (social media intelligence/monitoring) - purpose – find patterns hidden in social volume data; real-time monitoring of social media - digital media sources for SMA – blogs, forums, social media channels, image and video sharing sites, online reviews - examples of SMA monitoring tools, e.g., Hootsuite, Sprout, Brandwatch, Synthesio • Analytics reports provided by social media sites • Using social media analytics - discover what is not working - additional (paid-for) analyses • Challenges to digital marketers - intensifying competition - proliferation of channels - volume of data	Have an understanding of the growth and importance of digital marketing. Be able to explain features of digital marketing: - internet/online display - SEM and SEO (Search Engine Marketing/Optimisation) - Pay Per Click (PPC) marketing - social media marketing - email and mobile marketing Be able to analyse and compare digital and traditional marketing's features. Have knowledge of the purpose/use, sources and tools of SMA and the analytics reports off social media sites: - Facebook's "insights" tab for businesses showing (2016) Overview, Likes, Reach, Page Views, Posts - Twitter profile's (2016) analytic headings Home, Tweets, Audience, Events - Linkedin's analytics show (2016) Updates, Followers and Visitors. Be able to assess both the value of digital marketing and the challenges faced by digital marketers.

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Assessment summary

This unit is externally assessed. The external assessment will be in June of each year. The specification for the external assessment is as follows:

Duration: 2 hours

Number of marks: 100

Grading: A – E

Weightings of Learning Outcomes:

Generic to all Routes)	LO1	LO2	LO3
%	35% – 45%	15% - 30%	35% - 45%
Marks	35 – 45	15 – 30	35 - 45

Format: Short and extended answer questions based around given contexts. Candidates answer a common core of questions, and then questions on either Finance or Marketing. Learners will be expected, where relevant, to apply their knowledge and understanding gained from Units 1 and 2.

Guidance for delivery

The 'applied' theme continues with this unit. Learners study a generic core, and then study either Finance or Marketing focused content. On reviewing the unit content, centre staff will note it includes a range of models and theories in the generic route section (LO1 and LO2). There are a number of instances in this content section where centres are asked to relate learning to a financial and/or marketing perspective, and this is obviously a requirement for each of the two specialist sections (LO3). Centres should therefore ensure that learners are introduced to suitable examples of how these models and theories operate in practice.

Making teaching vocationally relevant

It is important that learners recognise the knowledge and understanding they develop are vocationally relevant. There are a number of ways this can be achieved:

Example 1

Accessing financial statements to gain actual information relating to concepts such as profitability and solvency.

Example 2

Organising class-based discussions on personal experience of budgeting, and/or using information from the local council on how it budgets its income.

Example 3

Secondary research into sectors where indexes are commonly used.

Example 4

Inviting business speakers who have experience of carrying out SWOT analysis.

Example 5

Researching case histories concerning the life cycle of actual products.

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Making contacts

Examples of organisations that may be approached to provide help include:

- major manufacturers
- fast food outlets
- local small businesses

Resources
Whilst learners need a detailed understanding of the various business-related models, theories and concepts, their local business environment remains important in terms of providing illustrative material, against which these various 'textbook' ideas can be reviewed and interpreted. Textbooks and web-based resources remain important as support to the applied learning that is expected.

Books/resource packs

Most mainstream Business Studies textbooks will include valuable information on the major financial and marketing topics/concepts.

Examples of dedicated textbooks include:

Blick D, The Ultimate Small Business Marketing Book (Filament 2011) ISBN-13 978-1905493770

Harvard Business Review, HBR Guide to Finance Basics for Managers (Harvard Business Review Press 2012) ISBN-13 978-1422187302

Harvard Business Review, Finance Basics (Harvard Business Review Press 2014) ISBN-13 978-1625270856

Levis S, Match Selling Commerce (Kindle 2016) ASIN B01F11EFXU

Masterson R and Pickton D, Marketing: An Introduction (Sage Publications 3rd ed 2014) ISBN-13 978 1446296424

Scott DM, The New Rules of Marketing and PR (John Wiley 5th ed 2015) ISBN-13 978-1119070481

Warner S, Finance Basics (Collins 2010) ISBN-13 978-0007328093

Other resources

Business and business education-related websites will provide relevant information. These include (2016):

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(for Finance)

http://www.investopedia.com/ Investopedia (includes access to newsletters)

https://www.khanacademy.org/ Khan Academy (education)

http://www.ft.com/home/uk Financial Times, company information and reports

http://www.accountingcoach.com/ accounting education site

(for Marketing)

http://www.marketingteacher.com/ marketing education site

http://www.britishchambers.org.uk/ (British Chambers of Commerce)

(specialist: e.g.) http://lapada.org/ (Assoc of Art and Antique Dealers);
https://www.nfrnonline.com/ (National Federation of Retail Newsagents);
http://www.charityretail.org.uk/ (Charity Retail Assoc)

As noted in the resource section for unit 1, current developments in finance and marketing can be found in the major newspapers, magazines and e-magazines.

Online analysts and statistics are also available for study and learning support. Examples include:

http://www.mintel.com/retail-market-research Mintel

http://www.verdictretail.com/ Verdict Retail

http://www.retaileconomics.co.uk/library-retail-stats-and-facts.asp

Additional guidance can be found in the document Guidance for Teaching which accompanies this qualification.

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2.6 Unit 5

Unit title	Markets and Customers
GLH	90

Aim
The aim of this unit is for learners to understand the importance of having a detailed knowledge of, and being able to respond quickly and appropriately to the needs of, an organisation's customers and markets.

Overview
In the earlier units, you have studied Marketing and the various types of market, and you will be familiar with how an organisation's customers can be classified. We now need to develop your knowledge and understanding in these areas. Unit 5 will help you achieve this. First, you will increase your knowledge about researching customers, because successful marketing relies on a clear and full understanding of the nature of the organisation's customers. The reason is that no two customers may have the same wants and needs: their expectations concerning the organisation, its products and its after-sales service may also differ. Organisations therefore carry out research into their customers, in order to understand more about them and to react to what they want and expect. Because they compete for customers, most organisations also undertake research into the activities of their competitors. This is useful because it allows the organisation to compare itself against the competition, and can lead to changes in the organisation's existing products or even the introduction of new ones onto the market. We know that customers operate in a marketplace, and that these markets vary in type and location. Some organisations – mostly sole traders, partnerships, local authorities, small limited companies and the voluntary sector – are located in the domestic (home) market. Other, typically larger, organisations have both UK-based and overseas markets in which they operate. This unit explores the nature of, and differences between, these markets. At the end of this unit you will have gained knowledge and understanding of how customers and competitors interact with an organisation, and the variety of markets within which the organisation operates.

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Skills Development

It is envisaged that the study of this unit will generate opportunities for the development of skills.

Examples of such opportunities are noted below.

Digital Literacy and Literacy and Numeracy : in the carrying out of web-based research into existing organisations operating in home based and /or international markets.

Creativity and Innovation: in the consideration of approaches to customer service used by organisations.

Literacy and Numeracy: in the consideration of organisations approaches to researching customers.

Personal planning & organising and personal effectiveness: can be developed in order to assist students in their preparation for the unit assessment.

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Learning outcomes, assessment criteria and taught content

Learning outcome	Assessment criteria	Taught content	Exemplification
The learner will:	*The learner can:*	*(learners must be taught the following content)*	(see also Guidance for Teaching)
LO1 Understand the nature and importance of customers to the organisation	**AC1.1** Explain the relationship between **organisations and their customers**	**Organisations and their customers** • Foci of an organisation: - customer - product - sales - production • Characteristics of product-oriented and market-oriented organisations • Overcoming barriers to customer focus • Internal and external customers • influences on the customer-organisation relationship: - (internal) policies, guidelines, procedures, codes of practice • (external) legislation relevant to the organisation, e.g., competition protection, consumer protection, health and safety	Review the main types of customers and how they can be segmented by organisations. Have an understanding of how the focus of an organisation can vary between customer, product, sales and production. Be able to explain how market-orientation and product-orientation are linked in practice. Have an understanding of the difference between internal and external customers. Be able to explain how organisations are influenced by customer type and segmentation. ***Synoptic links: Learners should also understand the connections to Stakeholders (Unit 1 AC 1.2), Mission, Aims and Objectives (Unit 1 AC 1.5), Resources and Quality (Unit 1 AC 2.2 qnd 2.3), Communication (Unit 1 AC 2.4), Organisational Strategy (Unit 3 AC 1.1)*** ***AC 1.1), SWOT and Product Lifecycle (Unit 3 AC 2.1 and 2.2). Learners should also understand the connections to the skills of (Digital) Literacy, Numeracy, Creativity and Innovation.***

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Learning outcome	**Assessment criteria**	**Taught content**	**Exemplification**
The learner will:	*The learner can:*	(*learners must be taught the following content)*	(see also Guidance for Teaching)
	AC1.2 Explain how and why organisations **research customers**	**Researching customers** • Methods of collecting data/information about customers, e.g.,: - consumer panels and focus groups - mystery shoppers - observation - customer questionnaires - personal interviews - test marketing - social media management/analytics • Storing and handling information: - accuracy - confidentiality - security/data protection - quality • Technological support • Analysing and evaluating the results • Benefits of customer research	Review the role and importance to organisations of market research, and the advantages and disadvantages of qualitative and quantitative methods used to obtain information. Review/Have an understanding of the methods that organisations use to collect data/information about their customers. Be able to explain the key influences on organisations when storing and handling information about their customers. Have knowledge of how ICT is used to collect customer data, turn it into customer information and store it. Have an understanding of how results are analysed by grouping data into key characteristics, and creating and manipulating the database. Be able to explain how customer research information helps establish whether or not an organisation is meeting customer needs. Have an understanding of the benefits from undertaking customer research.

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Learning outcome	**Assessment criteria**	**Taught content**	**Exemplification**
The learner will:	*The learner can:*	(*learners must be taught the following content)*	(see also Guidance for Teaching)
			Synoptic links: Learners should also understand the connections to External Environment (Unit 1 AC 1.7), Communication and ICT (Unit 1 AC 2.4 and 2.5), Customers (Unit 2 AC 1.2), Market Research (Unit 2 AC 2.1) and Profitability (Unit 3 AC 1.2). Learners should also understand the connections to the skill of Numeracy.

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Learning outcome	**Assessment criteria**	**Taught content**	**Exemplification**
The learner will:	*The learner can:*	*(learners must be taught the following content)*	(see also Guidance for Teaching)
	AC1.3 Analyse the influence on organisations of customers' **wants, needs and expectations**	**Wants, needs and expectations of external customers** • Wants and needs • Impact of meeting needs • Expectations of customers: e.g., - price versus quality - special/niche tastes (e.g. organic, Fairtrade) - advice - payment or financial flexibility - online ordering - post-sale service/support	Review the different needs customers have when buying products. Have knowledge of the difference between wants and needs. Have an understanding of the positive effects from meeting customer needs: e.g. improve product features and/or information, enter new markets, adapt packaging. Be able to analyse how organisations respond to customer expectations. ***Synoptic links: Learners should also understand the connections to Sectors (Unit 1 AC 1.1), Planning (Unit 1 AC 1.6), Employing and Training (Unit 1 AC 3.1 and 3.2), Customers (Unit 2 AC 1.2), Marketing Mix (Unit 2 AC 3.1 and 3.2), SWOT and Breakeven analysis (Unit 3 AC 2.1 and 2.3). Learners should also understand the connections to the skills of Creativity and Innovation.***

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Learning outcome	**Assessment criteria**	**Taught content**	**Exemplification**
The learner will:	*The learner can:*	*(learners must be taught the following content)*	(see also Guidance for Teaching)
	AC1.4 Evaluate the importance of **customer service** to organisational success	**Organisations and their customer service** • Organising customer service: - dedicated customer service section - ad hoc/individual managerial responsibility • Supporting customer service • Monitoring customer service by criteria: e.g., based on - customer retention - provision of special needs - staffing levels - judging price against value for money • Improving customer service: - create codes of practice - improve staff training - develop customer retention policies such as loyalty schemes - improve accessibility for customers having particular needs • Importance of customer service to the organisation	Review the main features of, and influences on the nature of, customer service. Be able to compare the value of dedicated customer service sections against a more ad hoc provision. Have an understanding of the use of ICT in supporting customer service e.g.: - creating customer databases - using emails and/or social media to contact Be able to explain how organisations use criteria against which the quality customer service can be judged. Have an understanding of how customer service can be improved following information gained from monitoring. Be able to evaluate the importance of customer service to the organisation in terms of creating a profitable long-term customer-business relationship.

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Learning outcome	**Assessment criteria**	**Taught content**	**Exemplification**
The learner will:	*The learner can:*	*(learners must be taught the following content)*	(see also Guidance for Teaching)
			Synoptic links: Learners should also understand the connections to Enterprise (Unit 1 AC 1.4), Mission Aims and Objectives (Unit 1 AC 1.5), Resources and Quality (Unit 1 AC 2.2 and 2.3), Communication and ICT (Unit 1 AC 2.4 and 2.5), Motivation (Unit 1 AC 3.3), Customers (Unit 2 AC 1.2) and Budgeting (Unit 3 AC 1.3). Learners should also understand the connections to the skills of (Digital) Literacy.

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Learning outcome	**Assessment criteria**	**Taught content**	**Exemplification**
The learner will:	*The learner can:*	*(learners must be taught the following content)*	(see also Guidance for Teaching)
LO2 Understand how and why organisations undertake research into their competitors	**AC2.1** Evaluate the benefits to an organisation arising from **researching competitors**	**Researching competitors** • Information about competitors: - nature of the information, e.g., using SWOT (threats) to discover who, what they offer, pricing policies, market profile - reasons for obtaining/analysing, e.g., applying SWOT (opportunities) • Approaches to obtaining market intelligence: - in-house or consultancy? - techniques, e.g., competitor array and competitor profiling - sources, e.g., secret shopping, media scanning/web audits/social network, public records, analysts • Criteria for benchmarking/comparing against competitor performance • Reviewing competitive impact on, and suitable responses by, the organisation, e.g., (responses to) competitive threats on: - product portfolio - sales - profitability - market share • Benefits of competitor research	Have an understanding of the reasons for obtaining and analysing information about competitors. Be able to explain the approaches used to obtain market intelligence, and the techniques and sources for obtaining information about competitors: e.g., discovering - discovering what they say about themselves - finding out what others say about them - conducting original research. Identify criteria that can be used to compare organisations with their competitors: e.g., competitor aims/objectives, size, market share, benchmarking against best practice. Be able to analyse the impact of competitor activity on organisations, and to suggest suitable sales activities in response to competitor activity. Be able to evaluate the benefits from undertaking competitor research.

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Learning outcome	**Assessment criteria**	**Taught content**	**Exemplification**
The learner will:	*The learner can:*	*(learners must be taught the following content)*	(see also Guidance for Teaching)
			Synoptic links: Learners should also understand the connections to Sectors (Unit 1 AC 1.1), Markets (Unit 2 AC 1.1), Strategy (Unit 3 AC 1.1), Economies of scale, Index numbers and SWOT analysis (Unit 3 AC 1.4 – 1.6); either Finance (Unit 3 AC 3.1), Marketing (Unit 3 AC 3.1). Learners should also understand the connections to the skills of (Digital) Literacy and Numeracy.

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Learning outcome	**Assessment criteria**	**Taught content**	**Exemplification**
The learner will:	*The learner can:*	*(learners must be taught the following content)*	(see also Guidance for Teaching)
	AC2.2 Explain the importance of investment into research/research and development in terms of effective (new) **product development and marketing**	**Product development and marketing** • Product and customer • Research and development: - factors influencing – e.g., size, competitor forces, costs likely to be incurred, likelihood of benefits - stages in (new) product development - virtual product development (VPD) - value analysis and product development - contribution to success • Marketing considerations of (new) product development	Review: - how and why products are differentiated by their attributes - the nature and importance of new product development and product enhancement/extension strategies Have an understanding of the link between product range and customer needs, wants and expectations. Be able to explain the main factors that influence (new) product development. Have an understanding of the roles that value analysis and/or VPD can play in (new) product development. Explain the contribution that research and development investment can make to organisational success. Have an understanding of the marketing considerations of (new) product development.

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Learning outcome	**Assessment criteria**	**Taught content**	**Exemplification**
The learner will:	*The learner can:*	*(learners must be taught the following content)*	(see also Guidance for Teaching)
			Synoptic links: Learners should also understand the connections to Enterprise (Unit 1 AC 1.4), Marketing Mix (Unit 2 AC 3.1 and 3.2), Strategy (Unit 3 AC 1.1 (Unit 3 AC 1.2 – 1.4(Unit 3 AC 2.2 and 2.3); also Finance (Unit 3 AC 3.2 and 3.3), Marketing (Unit 3 AC 3.2 and 3.3). Learners should also understand the connections to the skills of Numeracy, Creativity and Innovation.

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Learning outcome	**Assessment criteria**	**Taught content**	**Exemplification**
The learner will:	*The learner can:*	*(learners must be taught the following content)*	(see also Guidance for Teaching)
	AC3.1 Analyse factors that influence the organisation when operating within a **domestic market**	**The domestic** (internal, or home) **market** • Local, regional and/or national markets: - examples – e.g. domestic housing and labour, personal services • Operating domestically • UK Government/other agency support: e.g. - finance, mentoring/consultancy and information-based support for SMEs, set-up support, role of chambers of commerce • Domestic and/or global: influence of factors - - e.g. technological (such as increased online trading, contactless payment) - e.g. legal/political (such as consumer or employee protection, data protection, political stability); - e.g. environmental (such as pollution, waste disposal and reduction, sourcing of materials) - e.g. economic (such as demand levels) - e.g. social (such as cultural and language issues)	Review: • market types and characteristics • the functions and purposes of selling and marketing • generic marketing goals. Have an understanding of why some organisations operate domestically only – e.g. limited target market/demand. Have knowledge of how UK government and other agencies support domestic organisations. Be able to analyse the effects of being limited to a domestic market: e.g. single set of customers/competitors, legal factors, more control over the marketing mix, lower risk, limitations to expansion. Be able to analyse how PESTEL-related factors can influence a decision on whether an organisation starts to market globally.

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Learning outcome	**Assessment criteria**	**Taught content**	**Exemplification**
The learner will:	*The learner can:*	*(learners must be taught the following content)*	(see also Guidance for Teaching)
			Synoptic links: Learners should also understand the connections to Ownership (Unit 1 AC 1.3), Enterprise (Unit 1 AC 1.4), External factors (Unit 1 AC 1,7), Functions/structures (Unit 1 AC 2.1), Employing and Developing (Unit 1 AC 3.1 and 3.2), Markets, Customers and the Marketing Mix (Unit 2), Economies of scale (Unit 3 AC 1.4, Indexes (Unit 3 AC 1.5), SWOT and Breakeven analysis (Unit 3 AC 2.1 and 2.2); also Finance (Unit 3 AC 3.2), Marketing (Unit 3 AC 3.1). Learners should also understand the connections to the skills of (Digital) Literacy and Numeracy.

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Learning outcome	**Assessment criteria**	**Taught content**	**Exemplification**
The learner will:	*The learner can:*	*(learners must be taught the following content)*	(see also Guidance for Teaching)
	AC3.2 Evaluate the extent to which organisations gain from operating in a **global market**	**The global market** • Organisations trading globally: - reasons for • Factors influencing global operations: e.g., - culture, language and translation - pricing and payment methods - the media mix - distribution/transport/supply chain - social media/ICT and other communication - budgets and sources of finance - training/developing employees - legal/political/international events • Strategic implications: e.g., - for legal format and aims/objectives - on market sectors/product range - influence of national/global customers and competitors - social effects of global expansion – e.g., environmental damage, exploitation of child and other labour • UK Government/other agency support: e.g., - export finance/insurance - training and information-based services • Gains from trading globally	Have knowledge of why some organisations operate globally – e.g., global target market/demand, economies of scale, competitor actions. Have an understanding of internal and external (PESTEL/national and global) factors that are likely to influence global operations. Be able to explain the strategic implications for organisations from trading globally. Have knowledge of how UK government and other agencies support organisations operating globally. Be able to evaluate the benefits or otherwise arising from operating in a global market. *Synoptic links: Learners should also understand the connections as indicated in AC 3.1.*

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Learning outcome	**Assessment criteria**	**Taught content**	**Exemplification**
The learner will:	*The learner can:*	*(learners must be taught the following content)*	(see also Guidance for Teaching)
LO3 Understand the nature and effects of domestic and global markets	**AC3.3** Explain the role and influence on UK organisations of **international trade organisations**	**The European Union** • Main features, institutions/instruments and policies of the EU • Trading with the EU: - impact of the Eurozone - impact of 'Brexit' **Other international trade organisations** • World Trade Organisation and the World Bank • Regional trade blocs and other custom unions: - purpose/functions - examples (e.g., OPEC, NAFTA, MERCOSUR) and activities - influence on UK organisations	Have knowledge of the EU's main: - features – membership, population and demographic profile, income and employment, trade - institutions and instruments – Commission, Council of Ministers, European Parliament; Regulations, Directives and Decisions - policies – Four Freedoms/internal market, Social Charter, Social Fund, regional support, agriculture and fisheries, sustainable development. Have an understanding of how EU-specific factors, such as Brexit and the creation of the Eurozone, influence UK organisations trading with, and/or located in, (other) EU member states.

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Learning outcome	**Assessment criteria**	**Taught content**	**Exemplification**
The learner will:	*The learner can:*	*(learners must be taught the following content)*	(see also Guidance for Teaching)
			Have knowledge of the purpose and activities of the World Trade Organisation and the World Bank. Have an understanding of the purpose, functions and activities of international trade organisations. Be able to explain their influence on UK-based organisations. *Synoptic links: Learners should also understand the connections as indicated in AC 3.1.*

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Performance bands

Learning outcome	**Assessment criteria**	**Band 1** **1 – 12 marks**	**Band 2** **13 – 24 marks**	**Band 3** **25 – 30 marks**	**Band 4** **31 – 36 marks**
		Where there is no evidence or work is not worthy of credit – 0 marks			
LO1 Understand the nature and importance of customers to the organisation	**AC1.1** Explain the relationship between organisations and their customers	Gives a limited explanation of the relationship with customers.	Explains fully and in context the importance and influence of customer types.		
	AC1.2 Explain how and why organisations research customers	Provides explanations about customer research that lack depth or completeness.	Gives detailed explanations including the benefits of customer research, supported by examples.		
	AC1.3 Analyse the influence on organisations of customers' wants, needs and expectations	Provides a generic consideration of the influence of wants, needs and expectations.	Provides a detailed explanation of the influence of wants, needs & expectations with some awareness of organisational response.	Provides a critical analysis of the main organisational responses based on a clear analysis of the influence of wants, needs, expectations.	Provides a comprehensive analysis of all key organisational responses to the influence of wants, needs and expectations.
	AC1.4 Evaluate the importance of customer service to organisational success	Provides a basic explanation of the importance of customer service to organisational success.	Explains in some detail the importance of customer service to organisational success, together with contextualisation.	Evaluates the importance in context, but with some weaknesses or imbalance/an over-reliance on analysis**.**	Offers full and supported judgements, with detailed evidence**.**

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Learning outcome	**Assessment criteria**	**Band 1** **1 – 6 marks**	**Band 2** **7 – 12 marks**	**Band 3** **13 – 15 marks**	**Band 4** **16 – 18 marks**
		Where there is no evidence or work is not worthy of credit – 0 marks			
LO2 Understand how and why organisations undertake research into their customers and competitors	**AC2.1** Evaluate the benefits to an organisation arising from researching competitors	Provides a basic explanation of the benefits to an organisation arising from researching competitors.	Explains in detail the benefits to an organisation arising from researching competitors with some contextualisation.	Analyses the value of this research, with some limitations in scope and/or depth.	Makes detailed judgements of the value of research in the context of how it is carried out**.**
	AC2.2 Explain the importance of investment into research/research and development in terms of effective (new) product development and marketing	Describes or explains briefly product development with some understanding of its importance**.**	Gives a clear and full explanation in context of why product development is important**.**		

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Learning outcome	**Assessment criteria**	**Band 1** **1 – 9 marks**	**Band 2** **10 – 18 marks**	**Band 3** **19 – 24 marks**	**Band 4** **25 – 30 marks**
		Where there is no evidence or work is not worthy of credit – 0 marks			
LO3 Understand the nature and effects of domestic and global markets	**AC3.1** Analyse factors that influence the organisation when operating within a domestic market	Provides a basic explanation of the factors that influence the organisation within a domestic market.	Explains in details factors influencing the organisation in its domestic market**.**	Makes a limited analysis based on research of the key factors influencing the how the organisation operates domestically**.**	Submits a comprehensive analysis based on research into all key factors influencing how the organisation operates domestically.
	AC3.2 Evaluate the extent to which organisations gain from operating in a global market	Provides a basic explanation of the extent to which organisations gain from operating in a global market.	Explains in detail the extent to which organisations gain from operating in a global market with some contextualisation.	Provides limited evaluation based on research and analysis, though some judgements based on lack of evidence.	Provides detailed and thorough judgements of the organisation's situation, benefits and threats associated with global operations**.**
	AC3.3 Explain the role and influence on UK organisations **of international trade organisations**	Describes or explains briefly the influence on the UK of other trade-based organisations.	Explains clearly and in detail the influence of trade blocs and other organisations on the UK.		

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Assessment summary

This unit is internally assessed.

Part A Tasks have a maximum of 54 marks, and are linked to Assessment Criteria as follows.

- Task 1 is linked to AC 1.2 and has a maximum of 6 marks.
- Task 2 is linked to AC 1.1 and also has a maximum of 6 marks.
- Task 3 is linked to AC 1.3 and has a maximum of 12 marks.
- Task 4 is linked to AC 1.4 and also has a maximum of 12 marks.
- Task 5 is linked to AC 2.2 and has a maximum of 6 marks.
- Task 6 is linked to AC 2.1 and has a maximum of 12 marks.

Part B Tasks have a maximum of 30 marks, and are linked to Assessment Criteria as follows.

- Task 1 is linked to AC 3.3 and has a maximum of 6 marks.
- Task 2 is linked to AC 3.1 and has a maximum of 12 marks.
- Task 3 is linked to AC 3.2 and also has a maximum of 12 marks.

For detailed information on how the Learning Objective marks are awarded for Unit 5, please see pages 46 – 48 of the SAMs – Internal document on the website.

Guidance for delivery

To understand and appreciate the importance that an organisation's customers and markets play in its success, centres again need to involve learners to actively investigate marketing in business.

This unit is synoptic in nature, and learners are expected to draw upon their knowledge and understanding gained not only from the accompanying Diploma unit 3, but also from both Certificate-focused Units 1 and 2. The synoptic nature of Unit 5 will feature in its assessment, and should also therefore be acknowledged and accounted for whilst learners are undertaking research and related tasks. It is therefore expected that teachers will encourage their learners to make inks with topic areas from previous units.

Making teaching vocationally relevant

It is important that learners recognise the knowledge and understanding they develop are vocationally relevant. There are a number of ways this can be achieved:

Example 1

Visits can be arranged to retail and other organisations to experience, carry out research about and/or discuss with employees the nature, type and categorisation of these organisations' existing and potential customers, and their present and likely future market-based activities. The careful selection of organisations, which should be differentiated particularly in terms of their customers and markets, will allow learners to gain the breadth and depth of knowledge and understanding required for this unit.

Example 2

Talks by visiting customer support, market research or other relevant specialists can introduce learners to the variety of approaches that exist in practice; for example, a specialist from a global retailer or manufacturer could explain the approaches to home-based and overseas marketing, whereas a talk from a sole trader (or specialist employed by a small-scale domestically-based organisation) could provide a valuable insight into the practicalities and financial limitations of their market research and/or customer service activities.

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Example 3

Practical activities centred around a work-based scenario should again be considered as beneficial for learning: for example, how an entrepreneur is planning to – or has recently – set up in an overseas market or a UK-based niche market.

Example 4

Suitable case studies or case histories are valuable, and are freely available on websites (2016), including Argos's approach to identifying customers and meeting their needs, British Steel's development of a customer focus, and Cadbury's investment into Poland (see http://businesscasestudies.co.uk/).

Example 5

The international trade organisation topic within LO3 requires a degree of 'traditional' input in terms of information, but learners should be encouraged to explore how this applies to them in practice, by for example researching the extent to which these trading blocs or other organisations directly or indirectly influence their lives as well as the lives of those running or employed by local organisations.

Example 6

Marketing and retail-related work experience and other links with local employers can be established to help the learners gain better vocational knowledge and understanding.

Making contacts

Examples of organisations that may be approached to provide help include:

- major visitor attractions such as theme parks
- local branches of 'global' brands
- major supermarket chains

Resources

The topics of customers and markets is another accessible one for learners, again as the result of their everyday lives and experiences. It is therefore appropriate that learner experience should form a key resource for the learning process in this unit.

Books/resource packs

Examples include:

Harrison M et al, Market Research In Practice (Kogan Page 3rd ed 2016) ISBN-13 978-0749475857

Heppell M, How To Deliver Exceptional Customer Service (Perason, 3rd ed 2015) ISBN-13 978-1292100203

McManus S, Customer Service Pocketbook (Management Pocketbooks, 2nd ed 2013) ISBN-13 978-1906610555

Nash S, Delivering Outstanding Customer Service (How To Books, 2nd ed 2002) ISBN-13 978-1857037838

Other resources

The internet websites (2016) of the market research organisations mentioned in the unit 2 resources section can be revisited to be further utilised in research activities.

Websites of global organisations provide a useful source of market- and customer-based information, as will their Annual Reports and social media outlets.

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3. ASSESSMENT

The WJEC Level 3 Applied Diploma in Business is assessed using a combination of internally assessed controlled assessments and external examinations.

3.1. External assessment

The following units will be externally assessed:

Unit 1: The Organisation: Survival and Prosperity

Unit 3: Organisational Strategies and Decision Making

Details of the external assessment are as follows:

- 120-minute examination
- total of 100 marks
- compulsory questions on each paper
- short and extended answer questions, based on stimulus material and applied contexts
- questions will relate to the stimulus material and will anticipate answers that are applied to the context
- each paper will assess all learning outcomes, and assessment criteria (AC) will be sampled in each series
- available in May/June of each year
- learners are allowed **two** resit opportunities; the highest grade will contribute towards the overall grade for the qualification
- WJEC will produce a mark scheme which will be used as the basis for marking the examination papers
- graded on a scale of A to E

N.B. **Unit 3 - Organisational Strategies and Decision Making** (Diploma unit only).

Those taking Unit 3 will answer a common core of questions and then choose either questions based on Finance or on Marketing.

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For **Unit 1: The Organisation: Survival Prosperity**, the assessment criteria (AC) will be covered within the mark allocation as follows:

Assessment Grid

Learning outcomes	Assessment criteria	Marks	%
LO1	**AC1.1** Describe and distinguish between the main **sectors and classifications** of the UK economy	35 - 45	35 - 45
	AC1.2 Analyse the relationship between **organisations and their stakeholders**		
	AC1.3 Explain the relationship between an organisation's **ownership, control and financing**		
	AC1.4 Discuss the importance and influence of **enterprise** in organisational contexts		
	AC1.5 Analyse how the activities of an organisation are influenced by its **mission, aims and objectives**		
	AC1.6 Explain the value to organisations of **business planning**		
	AC1.7 Evaluate the varying impacts on organisations of their **external environment**		
LO2	**AC2.1** Describe the types and roles of the main **organisational functions and structures**	35 - 45	35 - 45
	AC2.2 Explain the importance of **resources** to organisations		
	AC2.3 Explain the role and importance of **quality initiatives** in organisations		
	AC2.4 Analyse the nature and efficiency of **information and communication**		
	AC2.5 Evaluate the extent to which **ICT** provision supports organisational activities		
LO3	**AC3.1** Explain the importance to organisations of both **employing** suitable people	15-30	15 - 30
	AC3.2 Explain the importance of **training and developing** employees		
	AC3.3 Evaluate the effectiveness of the ways in which employees can be **motivated**		

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For **Unit 3: Organisational Strategies and Decision Making** (Diploma unit only), the assessment criteria (AC) will be covered within the mark allocation as follows:

Learning outcomes	Assessment criteria	Marks	%
LO1	**AC1.1** Explain the purpose of formulating **organisational strategy**	35 - 45	35 - 45
	AC1.2 Explain how information about **profitability, liquidity and solvency** can be used by organisations		
	AC1.3 Explain how information about **budgeting** can be used by organisations		
	AC1.4 Explain how information about actual or potential **economies of scale** can be used by organisations		
	AC1.5 Explain how information expressed as **index numbers** can be used by organisations		
LO2	**AC2.1** Examine how **SWOT analysis** supports decision-making in organisations	15 - 30	15 - 30
	AC2.2 Examine how the **product lifecycle** supports decision-making in organisations		
	AC2.3 Examine how **breakeven analysis** supports decision-making in organisations		
LO3	**AC3.1** Assess the relevance of **financial statements** and **ratio analysis** to organisational decision-making	35 – 45	35 – 45
	AC3.2 Assess the relevance of **forecasting and budgeting** to organisational decision-making		
	AC3.3 Assess the relevance of **investment appraisal** to organisational decision-making		
LO3	**AC3.1** Assess the relevance of **marketing models** to organisational decision-making	35 – 45	35 – 45
	AC3.2 Assess the relevance of **sales forecasting** to organisational decision-making		
	AC3.3 Assess the relevance of **digital marketing** to organisational decision-making		

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3.2. Internal assessment

The following units are internally assessed:

Unit 2: Active Marketing

Unit 5: Markets and Customers

For internal assessment please consult 'WJEC's Instructions for conducting controlled assessment'. This document can be accessed through the WJEC website (www.wjec.co.uk). Each centre must ensure that internal assessment is conducted in accordance with these controls. The following principles apply to the assessment of each internally assessed unit:

- Units are assessed through summative controlled assessment (available electronically).
- Controls for assessment of each internally assessed unit are provided in a model assignment.
- Each internally assessed unit must be assessed independently. Learners may produce a piece of evidence that contributes to the assessment criteria for more than one unit. This is acceptable provided it can be clearly attributed to a specified assessment criterion and has been produced under the appropriate controlled conditions for each unit.
- All grades are awarded based on the number of marks attained in each assessment. Grade descriptors are provided for Grades A, C and E.

There are three stages of assessment that will be controlled:
- task setting
- task taking
- task marking

Task setting

For internal assessment, WJEC has produced model assignments for each unit. The model assignment has been written to ensure the following controls are in place:

- Each unit is assessed through one assignment.
- Each assignment must have a brief that sets out an applied purpose. An applied purpose is a reason for completing the tasks that would benefit society, a community, organisation or company.
- The assignment can specify a number of tasks but tasks must be coherent, i.e. show how the assessment requirements all contribute to the achievement of the applied purpose of the assignment.

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- The assignment must provide each learner with the opportunity to address all assessment criteria and all marks available.
- The assignment must indicate the acceptable forms of evidence. These must conform to those forms set out in the model assignment.

Task taking

There are five areas of task taking that are controlled: time, resources, supervision, collaboration and resubmission.

Time

Each model assignment will specify the total amount of time available for summative assessment. Centres have the discretion for how that time is allocated to each task.

Resources

The assessor can determine which resources learners should be provided with to ensure fair and valid assessment takes place. Where specific resource controls must be in place, these will be stated in the model assignment.

Supervision

Learners must normally be supervised by an assessor whilst completing controlled assignment tasks. Model assignments will specify if supervision is not required. Centres must have systems in place to ensure learners cannot access evidence they have been developing outside of supervised activities.

> *Authentication*: supervision is in place to ensure the authenticity of evidence produced for summative assessment. Assessors should not provide input or guidance to learners during the controlled assessment time. This includes providing formative feedback on the evidence being produced. Assessors can provide guidance on the requirements of the task and remind learners of the assessment criteria and how they can be interpreted. Assessors must intervene where a health and safety hazard is observed.
>
> Learners can review and redraft evidence independently within the time controls for the assessment.
>
> Learners must sign a declaration to confirm that all evidence submitted for moderation is their own work and that any sources used have been acknowledged.
>
> Assessors must sign a declaration to confirm that evidence submitted for moderation was completed under the controlled conditions set out in the model assignments.

Collaboration

The model assignment will indicate whether:
- group work must take place
- group work is forbidden
- centres can elect to complete tasks through group work

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Where group work takes place, the following principles must be applied:

- Tasks should allow each member of the group to have full access to all assessment criteria and marks available.
- Learners must provide an individual response as part of any task outcome.
- Evidence of individual response may include written evidence (e.g. notes, evaluations, mind maps, etc) and/or audio-visual evidence (e.g. recordings, photographs, drawings, designs, etc).
- Evidence must be clearly attributable to each individual member of the group.
- Individual contributions must be clearly identified and noted on the accompanying authentication sheet which must be signed by both the teacher and the candidate.
- Assessment of the individual must be based on the individual contribution to the evidence produced.
- Learners' achievement must not be affected by the poor performance of other group members.
- Learners' achievement must not benefit from the performance of other group members

Resubmission

Learners may re-enter internally assessed units. The learner must submit a new assessment, completed within the same levels of control. For Unit 2 learners must choose different organisations as the basis of their work. For Unit 5 learners must produce a new business plan for Part A and choose a different organisation for Part B. They **cannot improve previously submitted work**.

Learners have one resit opportunity for each assessed unit.
Where an individual learner who has previously submitted group work for assessment wishes to resit an internally assessed unit, the candidate **must** choose one of the following options:

- create a new piece of work within the same group
- create a new piece of work within a new group
- create a new piece of work with non-assessed candidates
- create an individual piece of work

The same levels of control for group work, as outlined above, will apply to candidates who choose to resit.

Task marking

All marking of evidence must be made against the assessment criteria marks available in each unit specification. Evidence marked must comply with the controlled requirements set out in the model assignment.

Written evidence must be annotated to show how it relates to the assessment criteria and marks available.

Performance evidence, for example, of giving a presentation, must be made on observation records. Observation records will include a description of learner performance as well as a summative statement on the quality of that performance. Where performance is observed by someone other than an assessor, the 'witness' must complete a witness statement.

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Assessors will need to authenticate the statement either through scrutiny of supporting evidence and/or questioning of the learner and/or witness. If the statement is authenticated, it can be allowed to contribute to the evidence for assessment. Evidence of authentication will also need to be included.

Marking should only be undertaken by a designated assessor. An assessor should have appropriate expertise in the subject and level for a specified unit. The assessor is responsible for ensuring that:

- assessment is conducted under specified controlled conditions
- they are clear about the requirements of the learning outcomes, assessment criteria and marks available prior to commencing controlled assessment
- evidence presented for assessment is authentic
- assessment decisions are accurately recorded
- evidence is appropriately annotated
- observation records contain sufficient detail for objective corroboration of decisions
- judgements are only made against the assessment criteria and marks available

3.3. Synoptic assessment

Synoptic assessment requires candidates to demonstrate that they can identify and use effectively in an integrated way an appropriate selection of techniques, concepts, theories and knowledge from across the whole vocational area, which are relevant to a key task.

All units in WJEC Level 3 Applied Diploma in Business have been designed to require learners to develop their learning by working towards work-related purposeful tasks. Indicative synoptic links between Unit 2 and Unit 1, and between Unit 5 and the other three units (1, 2 and 3), are given. Learners will select and apply their learning in the completion of these tasks.

- Unit 2 requires learners to draw on learning from Unit 1, in order to contextualise appropriately the assessment requirements and their responses to this assessment. The ‘Exemplification’ section gives illustrations of how this unit’s content builds on previous learning, and the grade that learners receive for this unit will be influenced by how they use and apply learning from Unit 1.
- Unit 5 requires learners to draw on their learning from Units 1, 2 and 3 in order to complete the assessment requirements. The ’Exemplification’ section gives illustrations of how this unit’s content builds on previous learning, and the grade that learners receive for this unit will be influenced by how they use and apply learning from the other three units.

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3.4. Centre assessment and standardisation

Centres are expected to standardise internal assessment decisions. This is the process by which centres ensure that all learners are judged to the same standard across different assessors, teaching groups and from year to year. Evidence of standardisation should be submitted with learner evidence.

Where more than one assessor is involved, the centre must appoint a Lead Assessor. The role of the Lead Assessor is to:

- document all activities
- ensure that the assignment presented to learners is fit for purpose and complies with all controls
- ensure all assessors have appropriate documentation in place to support fair and valid assessment decisions
- ensure all assessment activities are in accordance with the task taking controls for the unit
- sample assessment judgements at appropriate times to ensure the performance bands are correctly and consistently applied
- provide feedback to assessors
- provide support to assessors on interpretation of performance band requirement

3.5. Grading, Awarding and Reporting

The overall grades for the WJEC Level 3 Applied Diploma in Business will be recorded on a scale A* to E.

Results not attaining the minimum standard for the award will be reported as U (unclassified). Unit grades will be reported as a lower case letter a to e on results slips but not on certificates.

The Uniform Mark Scale (UMS) is used in unitised specifications as a device for reporting, recording and aggregating learners' unit assessment outcomes. The UMS is used so that candidates who achieve the same standard will have the same uniform mark, irrespective of when the unit was taken. Individual unit results and the overall subject award will be expressed as a uniform mark on a scale.

A 'near pass' rule has been introduced for all **external units**. A candidate will achieve a pass (or higher) grade for the qualification if they meet the following two requirements:

i) Achieve the total UMS required at the relevant grade for the qualification
ii) Obtained at least the minimum UMS for the relevant external units

For the Level 3 Diploma, a Grade A* will be awarded to candidates who have achieved a Grade A (320 uniform marks) in the overall qualification and at least 90% of the total uniform marks for the two additional diploma units (units 3 and 5).

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To achieve an (A*) A-E grade, learners must obtain:

- the minimum UMS mark for the qualification grade

and

- a minimum pass grade in **ALL** units.

Uniform marks correspond to unit grades as follows:

Unit weighting	Maximum Raw Mark	Maximum UMS Mark	A	B	C	D	E	N
Unit 1 (Externally Assessed) 25%	100	100	80	70	60	50	40	30
Unit 2 (Internally Assessed) 25%	72	100	80	70	60	50	40	
Unit 3 (Externally Assessed) 25%	100	100	80	70	60	50	40	30
Unit 5 (Internally Assessed) 25%	84	100	80	70	60	50	40	

	Maximum Uniform Marks	A	B	C	D	E
Level 3 Diploma	400	320	280	240	200	160

The following grade descriptors are provided to give a general indication of the standards of achievement likely to have been shown by learners' awarded particular grades for assessment. The descriptors have not been written at either specification or unit level, and therefore must be interpreted in relation to the content specified in the specification: they are not designed to define that content. The grade awarded will depend on the number of marks awarded, these descriptors being intended to give a general indication of standards.

The grade descriptions therefore offer a general indicator of the required learning outcomes by illustrating the expectation of achievement at the A/B, C/D and E/U boundaries for the qualifications as a whole. Grade descriptions are designed to assist examiners in exercising their professional judgement at awarding meetings when setting grade boundaries. This judgement will reflect the quality of the candidates' work, informed by the available technical and statistical evidence. The grade awarded will depend in practice upon the extent to which the learner has met the assessment objectives overall. Shortcomings in some aspects of the examination may be balanced by better performance in others.

Teachers may find grade descriptions useful in understanding candidates' performance across qualifications as a whole but should use the marking criteria identified in the specification when assessing candidates' work. The difference between the Certificate and Diploma standard for Level 3 Business is essentially determined by the more challenging content, assessment criteria and assessment tasks linked to Unit 3.

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E grade descriptor

Learners demonstrate basic knowledge of the business sector and have gained a basic understanding of the nature and purpose of organisational activity. Learners apply limited knowledge, understanding and skills to organisational activity and issues. They collect information using given techniques and use a limited range of relevant information sources. They carry out limited analysis of the issues and problems faced by organisations. Learners evaluate evidence to draw basic conclusions about relevant organisational issues and problems. Learners use written communication which is adequate to convey meaning but which may be expressed in a non-specialist way.

C grade descriptor

Learners demonstrate clear knowledge of the business sector and have gained a sound understanding, of the nature and purpose of organisational activity. Learners apply knowledge, understanding and skills to organisational activity and issues. Learners collect information independently and use a range of relevant information sources. They carry out some sound analysis of the issues and problems faced by organisations. Learners evaluate evidence to draw valid conclusions about relevant organisational issues and problems. Learners use written communication which conveys meaning with use of some specialist vocabulary.

A Grade descriptor

Learners demonstrate a depth of knowledge of the business sector and show thorough understanding of the nature and purposes of organisational activity. Learners apply knowledge, understanding and skills accurately and independently to a range of organisational activity and issues. Learners undertake research using a range of techniques and use a wide range of relevant information to analyse business-related issues and problems. Learners evaluate evidence to draw valid conclusions and make reasoned judgements about relevant organisational issues and problems. Learners use written communication which is well-structured and clearly expressed, with appropriate specialist vocabulary.

Unit achievement is based on a learner's ability to meet the assessment criteria. Units can be awarded a summative grade of A to E.

Reporting

Awarding and reporting of results for WJEC Level 3 takes place in August of each year.

A **Qualification Certificate,** issued at a later date, will confirm the:

- title
- level
- grade of qualification

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4. TECHNICAL INFORMATION

4.1. Making entries

WJEC Applied Certificates and Diplomas are unitised qualifications which allow for an element of staged assessment.

The WJEC Level 3 Applied Diploma in Business will be available for certification from June 2019. Thereafter, the qualification will be available for certification each June.

Centres planning to offer this qualification must be registered as an accredited WJEC centre. For details on the application and accreditation, centres should contact WJEC.

Candidates may resit internally assessed units **once only, and externally assessed units twice**. The best grade will be used for aggregation. If a candidate wishes to resit an internal unit more than once or an external unit more than twice, no results from units taken previously may be used in aggregating the new grade and all units in the qualification must be taken again.

Unit entry

Entry for individual units must be made by submitting the relevant unit. Entries must be submitted no later than 21 February each year.

Qualification entry

Learners will be entered for the qualification when entering for aggregation (cash-in). Aggregation does not take place automatically: it is necessary to enter the relevant code for aggregation to take place.

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Entry Codes

	Title	Entry codes	
		English-medium	**Welsh-medium**
Unit 1	The Organisation: Survival and Prosperity – written examination	4513UB	4513NB
Unit 2	Active Marketing	4513U2	4513N2
Unit 3	Organisational Strategies and Decision Making – written examination	4513UD	4513ND
Unit 5	Markets and Customers	4513U5	4513N5
Applied Diploma in Business Cash-in		4513QD	4513CD

The current edition of our *Entry Procedures and Coding Information* gives up-to-date entry procedures.

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4.2. External moderation

The consistency of assessment practices and decisions across centres will be assured through external moderation of a sample of work for each unit entered.

WJEC will identify the candidates who are to be submitted in a sample for external moderation. The sample size will be according to the table below.

Total number of candidates entered for the unit	Sample size
1-99	10
100-199	15
Over 200	25

WJEC may request a larger sample or further samples if this is considered necessary.

Centres should ensure they keep all learner portfolios not sent to the moderator in their possession for two months after the closing date for sending samples for moderation. WJEC may require all portfolios for moderation and centres must be able to comply immediately with such a request.

Centres should submit a sample for **each unit** that includes:

- the controlled assignment brief used to set the assessment activity
- a controlled assessment activities sheet completed and signed by the assessor to confirm that the controls for the unit, including authenticity of evidence, have been applied
- completed mark record sheets outlining which performance bands are met by the evidence
- all evidence produced by learners in completion of the controlled assessment, annotated appropriately by the assessor
- moderators will review all evidence presented to ensure standards are aligned. evidence will be judged against the following criteria:
  - task setting – were tasks set within the controls set by WJEC in the model assignment?
  - task taking – is there evidence that tasks were completed under the controlled conditions set out in the model assignment?
  - performance bands – does the evidence support the assessor's judgement of the learner's against national standards?
- annotation – is the evidence produced by learners appropriately annotated?
- Authentication – is it clear that the evidence submitted was authentically produced by the learner?
- standardisation – is there evidence of effective standardisation/internal quality assurance within the centre?

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Timetable

Samples of work must be submitted for external moderation, and related mark sheets returned to WJEC by 15 May for the Summer series. Centres will need to ensure that internal submission dates are set sufficiently in advance of this to allow for authentication, assessment and standardisation.

Feedback

The outcome of moderation will be to either accept or amend a centre's assessment decisions. Guidance on actions needed before re-sitting of specified units at a subsequent moderation series will be also be provided.

Feedback will be provided through a centre moderator's report for each certification title, covering the units entered by the centre and will be accessible through WJEC's secure website. The report will address the criteria referred to above.

A Principal Moderator's report will be provided for each series.

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4.3. Access and special consideration

Qualifications at this level often require assessment of a broad range of knowledge and skills. This is because they are vocational qualifications and prepare candidates for a wide range of occupations and higher level courses.

This specification has been designed to offer fair access for all and to minimise the need to make reasonable adjustments for learners who have particular requirements. It is expected that normally, individual learners' abilities, interests and needs will be appropriately catered for by centres through:

(a) the choice of units and qualifications available, and

(b) the potential for personalisation of controlled assessment.

If there are any queries about the use of this flexibility inherent in the specification to meet learners' needs, or about the use of reasonable adjustments, centres should contact WJEC.

Reasonable adjustments are made for disabled candidates in order to enable them to access the assessments. For this reason, very few candidates will have a complete barrier to any part of the assessment. Information on reasonable adjustments is found in the Joint Council for Qualifications document *'Access Arrangements and Reasonable Adjustments'.* This document is available on the JCQ website (www.jcq.org.uk).

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4.4. Post Results Services

If a centre wishes to query the outcome of the moderation and/or examination process this must be done formally by the head of the centre, notifying WJEC within 21 days of the publication of results.

The sample of work submitted for moderation will be reviewed by a moderator/examiner not involved in the original process, and the centre informed of the outcome.

Should the centre not be satisfied with the outcome of the review, there is provision for an appeal to WJEC.

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4.5. Performance measures and classification codes

Every specification is assigned a national classification code (discounting code) indicating the subject area to which it belongs.

Centres should be advised that where learners take two qualifications with the same classification code, performance indicators for the centre will show that they have only achieved one of the two qualifications. The same view may be taken if learners take two specifications that have different classification codes but have significant overlap of content. The discounting system affects the calculation of performance measures for a school in the performance tables. It does not alter the awards an individual learner has achieved or limit the qualifications they can take.

Learners who have any doubts about their subject combinations should check with the institution to which they wish to progress before embarking on their programmes.

Information on performance points can be obtained from DfE (www.education.gov.uk) and/or QiW (https://www.qiw.wales/).

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