Qualification Specification

IAB Level 3 Diploma in Business and Management

QAN: tbc

1 Introduction

The Level 3 Diploma in Business and Management qualification comprises six mandatory units:

Mandatory units	Unit code	Level	TQT	GLH	Credits
The Business Environment	tbc	3	100	65	10
Introduction to Finance	tbc	3	100	65	10
Basics of Marketing	tbc	3	100	65	10
Resources in Business Organisations	tbc	3	100	65	10
Communication in Business	tbc	3	100	65	10
Managing Recruitment	tbc	3	100	65	10

(*See* Section 11 'Unit specifications' for further details.)

The Total Qualification Time (TQT) and Guided Learning Hours (GLH) for this qualification, based on the completion of six units, are as follows:

TQT	GLH
600	390

Total Qualification Time is an estimate of the amount of time that a learner might reasonably require to achieve the level of attainment necessary for the award of a qualification. TQT includes GLH, which describes the time spent by a learner being taught or instructed by a tutor or other appropriate provider of education or training. The remaining hours are time spent by the learner in preparation, study or any other form of participation in education or training that takes place as directed by, but not under the immediate guidance or supervision of, a tutor or other appropriate provider of education or training.

Examples of activities which would be included as Total Qualification Time are:

- guided learning and e-learning
- independent research and learning
- independent coursework
- viewing pre-recorded podcasts or webinars
- independent work-based learning

Guided Learning Hours are considered the time spent by a learner under the direction and guidance of a tutor present for the purpose of meeting the learning aims being studied. This includes lectures, tutorials and supervised study involving learning centres and workshops. Guided Learning includes any supervised assessment activity, including invigilated examination and observed assessment and work-based practice.

Examples of activities which can contribute to Guided Learning Hours include:

- classroom-based learning supervised by a tutor
- work-based practice supervised by a tutor
- live tutorials with a tutor
- supervised e-learning
- all assessment-related activities under the guidance or supervision of a tutor or other appropriate provider of education or training

2 Statement of level

This is a Level 3 qualification, defined with reference to the Regulated Qualifications Framework (RQF), as follows:

Knowledge descriptor The learner:	**Skills descriptor** The learner can:
• has factual, procedural and theoretical knowledge and understanding of a subject or field of work to complete tasks and address problems that while well-defined, may be complex and non-routine • can interpret and evaluate relevant information and ideas • is aware of the nature of the area of study or work. • is aware of different perspectives or approaches within the area of study or work	• identify, select and use appropriate cognitive and practical skills, methods and procedures to address problems that while well-defined, may be complex and non-routine • use appropriate investigation to inform actions • review how effective methods and actions have been

3 Purpose

By completing this course, learners will gain adequate knowledge and skills to be able to understand the basic operations and activities involved in business and management. They will have knowledge of theoretical approaches to business and management and be able to apply these to relevant situations in suitable context.

Learners will be able to understand how the business environment is constructed and how internal and external factors impact on its operations. The learner will be able to appreciate the significance of a range of different resources, with particular emphasis on the need for effective management of human resources. By understanding how resources are managed, the learner will be able to develop an understanding how such resources can be effectively and economically managed. The learner will also be introduced to the fundamental principles of marketing and shown how this can be used to generate future revenues and help develop new product offerings.

Further units enable the learner to understand the essential need for effective communications within any organisation and how this may be achieved. Legal aspects of recruitment are also emphasised. The learner will be able to gain a solid grounding in the basics of workplace welfare as a key component of motivation for employees.

Successful completion of the qualification will give learners the skills and knowledge required to understand the various roles of managers within a business environment and to be able to contribute to the operations of organisations, as well as appreciate how decisions are made and their potential impacts on business performance.

4 Target groups

The Level 3 Diploma in Business and Management qualification has been designed to appeal to learners:

- who already have some basic knowledge of the operation of businesses, either through work experience or personal knowledge
- already employed in bookkeeping or allied roles and wanting to expand their range of knowledge and skills so that they can understand how business operate and the relevance of decisions made
- who have no experience of the business environment but who wish to gain an understanding of the basic elements of business and management

5 Entry requirements

It is recommended that learners wanting to study the Level 3 Diploma in Business and Management qualification already have some knowledge of the operation of business and different business entities. Whilst suitable work experience would qualify learners to commence their studies at this Level, related Level 2 qualifications would be an ideal stepping-stone to the Level 3 qualification.

6 Progression

Holders of the Level 3 Diploma in Business and Management qualification may progress to another qualification at:

- Level 3 carrying with them credits for units achieved to expand their knowledge and skills in the subject area

- a higher level, thereby developing their knowledge and skills in the subject area.

7 Assessment, achievement and grading

7.1 Methods of assessment

The method of assessment for each unit is outlined in the table below.

Unit Title	Method of Assessment
An Introduction to the Business Environment	Examination
Introduction to Finance	Assignment
An Introduction to Marketing	Examination
Resources in Businesses	Assignment
Business Communication	Knowledge Test
Recruitment and Selection in Business	Knowledge Test

Both examinations must be completed under controlled conditions at a centre.

The time allowed for the examination is three hours.

Sample examination materials will be available on the IAB website (in the Centre and Student areas).

7.2 Achievement and grading

To achieve the qualification learners must take and pass the assessments for the seven mandatory units of which the qualification is comprised. To pass an assessment, the learner must achieve:

70% or above for a Knowledge Test
70% or above for an Assignment
60% or above for an Examination

There are no grade scales – learners will receive either a pass or a fail result.

8 Certification

On achievement of all the mandatory units the learner will receive an IAB Level 3 Diploma in Business and Management certificate. The certificate will carry the full name of the learner as registered.

Learners who do not achieve the full qualification may request a Certificate of Unit Completion for any of the individual units they have passed. This certificate will refer only to the title of the unit completed.

9 Reasonable adjustments and special considerations

Please refer to the Centre Area of the IAB website www.iab.org.uk for a copy of this procedure.

10 Enquiries and appeals

Please refer to the Centre Area of the IAB website www.iab.org.uk for a copy of this procedure.

11 Unit Specifications

The unit specifications indicate the content, in terms of learning outcomes and assessment criteria, of each of the seven mandatory units within the Level 3 Diploma in Business and Management qualification.

All the learning outcomes and assessment criteria must be covered by providers when delivering the qualification. Each live assessment covers a selection of the unit learning outcomes and assessment criteria and full coverage is achieved across the live assessment variations for each unit.

The content of the assessments is subject to ongoing review by the IAB and changes periodically.

Each of the unit specifications is provided below.

Level 3 Diploma in Business and Management – QAN tbc

Unit title	**U1 - An Introduction to the Business Environment – unit code tbc**		
Level	**RQF 3**		
GLH	**65**	**Total Qualification Time**	**100**

Learning Outcomes	**Assessment Criteria**
Aim This unit introduces the learner a range of different types of business and their ownership. Learners will understand the role of owner sand stakeholders in achieving the objectives of a business. Learners will be shown how businesses are structured and organised to achieve their aims. The unit will enable learners to understand the way in which the economic, political, legal and social environmental factors impact on businesses and decision making, developing the learner's understanding of the range of businesses and enterprises within different markets.	
1 Know different types of businesses and their ownership and the different types of stakeholders	**Learners are required to demonstrate that they:** 1.1 Describe two different types of business, and their ownership 1.2 Describe different types of stakeholders whose presence affect the purpose of two organisations
2 Understand how businesses are organised	**Learners are required to demonstrate that they:** 2.1 Identify how two different businesses are organised
3 Understand how businesses achieve their target purpose	**Learners are required to demonstrate that they:** 3.1 Describe different types of business targets 3.2 Identify how a business can achieve a target
4 Identify legal, political, and social factors that can affect businesses	**Learners are required to demonstrate that they:** 4.1 Describe how political, legal, and social factors affect business
Indicative content LO1 Organisations Private sector organisations (sole traders, partnerships, private limited companies) Public sector organisations (state owned, government funded, managed by Board) No-for-profit organisations (charity status, exempt from certain taxes) Public sector organisations (government service organisations, paid for through taxation) Stakeholders Different categories (owners, employees, customers, suppliers, etc) Pressure groups, government, media Internal vs external stakeholders	

Primary vs secondary stakeholders

LO2

Business functions (finance, sales and marketing, human resources management, production,

Organisational structure (hierarchical, flat, matrix, etc)

Complexity of structure (horizontal/vertical differentiation, span of control, centralisation)

Constituent components of organisations – top level management, middle management, operating core, technical and administrative support staff)

Leadership style (Autocratic, authoritative, participative, democratic)

LO3

Setting targets

Vision

Mission statement

Aims and strategy - SMART objectives

Time frame (short-term, medium-term, long-term)

Achieving targets

Preparation and use of annual business plan

Key questions

Roles and responsibilities

Monitoring progress towards plan

LO4

External environmental influences – PESTLE analysis

Internal environment, macro-environment, macro-environment

Examples of influencing factors (changes to law, economic conditions, environmental issues, adverse publicity, etc)

Assessing threats – SWOT analysis

Global operations – culture, language, technology,

Unit title	U2 – Introduction to Finance – unit code tbc		
Level	RQF 3		
GLH	65	Total Qualification Time	100

Learning Outcomes	Assessment Criteria
Aim The unit explain introduces learners to practical aspects of financial recording and reporting techniques used by managers in business organisations. It will enable learners to develop an understanding of how an organisation uses bookkeeping and accounting processes to prepare financial statements. It also looks at basic methods used to interpret the information in order to effectively read financial statements. Furthermore, the unit explores the use of budgeting as part of its management accounting activities.	
1 Understand financial recording and reporting	**Learners are required to demonstrate that they:** 1.1 Describe the purpose of financial recording 1.2 Explain common techniques for recording financial information 1.3 Analyse legislation relating to financial reporting
2 Understand common management accounting techniques	**Learners are required to demonstrate that they:** 2.1 Explain the difference between management and financial accounting 2.2 Describe processes used for budgetary control
3 Know how financial statements are prepared	**Learners are required to demonstrate that they:** 3.1 Explain why financial statements are used in accounting 3.2 Describe the format of key financial statements 3.3 Explain the content of each type of statement
4 Be able to interpret financial information	**Learners are required to demonstrate that they:** 4.1 Explain the importance and use of financial statements for a chosen organisation 4.1 Discuss methods used for the interpretation of information contained within each statement 4.2 Analyse financial information using appropriate ratio analysis

Indicative content

LO1 - Understand financial recording and reporting

- Key accounting terminology
- Purpose of financial records
- Process of financial recording
- Legal requirements

LO2 - Understand common accounting techniques

- Management and financial accounts
- Financial recording methods – bookkeeping, double entry
- Information requirements of different stakeholders
- Use of budgets in planning and control
- Cost analysis

- Cash flow forecasts

LO3 - Know how financial statements are prepared

- The financial statements – statement of financial position, statement of income, cash flow statement
- Use by stakeholders
- Significance of financial statements

LO4 - Be able to interpret financial information

- Comparisons using ratio analysis
- Benchmarks
- Liquidity ratios
- Profitability ratios
- Investment ratios
- Limitations of ratio analysis

Unit title	U3 – An Introduction to Marketing – unit code tbc		
Level	RQF 3		
GLH	65	Total Qualification Time	100

Learning Outcomes	Assessment Criteria
Aim This unit demonstrates that marketing is a key business function covering a wide range of activities and involving a broad range of areas of a business. This unit develops the knowledge necessary to understand key concepts of the marketing mix, marketing planning and marketing research. The unit provides a basic introduction to marketing to enable learners to realise the strategic purpose of the marketing function and how it contributes to business success. Learners will gain a basic understanding of the role of the marketing function, with particular emphasis on the role of marketing research and how it contributes to marketing planning and the development of a marketing mix for appropriate target groups of customers. Learners will have the opportunity to analyse and evaluate key marketing techniques in order to obtain a better awareness of their application.	
1 Know the importance of marketing in an organisation	**Learners are required to demonstrate that they:** 1.1 Describe and compare how two organisations use different types of marketing technique to achieve their target 1.2 Describe the limitations of marketing
2 Understand marketing research and planning	**Learners are required to demonstrate that they:** 2.1 Identify how a selected organisation uses marketing research to develop a marketing plan
3 Understand how and why customer groups are targeted	**Learners are required to demonstrate that they:** 3.1 Describe how and why selected organisation targets their group of customers
4 Be able to develop a coherent marketing mix	**Learners are required to demonstrate that they:** 4.1 Describe how a selected organisation develops a coherent marketing mix for a new product
Indicative content LO1 Elements of marketing Environmental analysis – PESTLE and portfolio analysis Marketing objectives Relationship between marketing and selling Marketing techniques – advantages, disadvantages and limitations LO2 Marketing research process	

Developing marketing plans

LO3
Market segmentation and categories
Targeting
Positioning - market leader, market challenger, market follower, market niche, market pioneer
Types of markets – B2C and B2B

LO4
Marketing mix:
Product
Price
Place
Promotion

The extended marketing mix:
People
Process
Physical evidence

Unit title	U4 - Resources in Business Organisations – unit code tbc		
Level	RQF 3		
GLH	65	Total Qualification Time	100

Learning Outcomes	Assessment Criteria
Aim The unit explain how different resources are used and managed within business, with particular reference to human, physical, technological and financial resources. Learners will gain an understanding relating to how human resources are managed and the methods used to people working within an organisation, as well as manage their performance. Learners will also learn about the significance of managing all resources effectively. The unit will also enable learners to develop an understanding of how an organisation can gain access to sources of finance, both internally and externally, and be able to effectively read financial statements. This unit serves as a useful introduction to some areas that may be covered in depth in other units.	
1 Understand types of tangible and non-tangible resources	**Learners are required to demonstrate that they:** 1.1 Identify tangible and non-tangible resources 1.2 Explain costs associated with different types of resources
2 Understand the internal and external factors involved in human resources planning in organisation	**Learners are required to demonstrate that they:** 2.1 Explain the importance of human resources for organisations 1.1 Describe how an organisation considers the internal and external factors when planning requirement of human resources 1.3 Identify different ways how an organisation can motivate employees 1.4 Describe how an organisation can manage and measure employee performance
3 Understand the purpose of managing physical and technological resources	**Learners are required to demonstrate that they:** 2.1 Describe importance of physical and technological resources required in selecting employees into an organisation
4 Identify ways to access different sources of finance	**Learners are required to demonstrate that they:** 3.1 Describe importance of internal and external finances available for a selected company

Indicative content

LO1
Types of resources and their importance:
Physical resources:
Building and land, Machinery and equipment, People, Materials, Finance

Non-physical resources:
Time, Information, Reputation, etc

Costs associated with resources:
Recruitment
Training
Cost of waste
Employability
Personal and transferable skills

LO2
Human resource management – purpose and development
Relationship with organisational strategy
HR planning
Environmental analysis – PESTLE and SWOT

Concept and significance of motivation
Theories of motivation – Maslow, Mayo, Herzberg, McGregor,
Rewards and incentives
Management style and organisational culture
Managing change

Development
Coaching, training and mentoring
Support and counselling

Process of performance management
Performance measurement
Appraisal

LO3
Physical resources:
Role within different industries
Management of resources

Technological resources:
Information and communication technology
Computer hardware and software
Connectivity and connected devices
Mobile technology
The internet
Internet of things
Security threats

LO4
Need for finance
Sources of funds – external and internal

Duration of funding
Working capital
Cash management
Managing credit

<table>
<tr><td>Unit title</td><td colspan="3">U5 - Business Communication – unit code tbc</td></tr>
<tr><td>Level</td><td colspan="3">RQF 3</td></tr>
<tr><td>GLH</td><td>65</td><td>Total Qualification Time</td><td>100</td></tr>
<tr><td colspan="2">Learning Outcomes</td><td colspan="2">Assessment Criteria</td></tr>
<tr><td colspan="4">Aim

This unit emphasises that the contribution of effective communication is an essential element of business success. Learners will gain an understanding of the types of business information used by organisations and what methods are used to communicate information to different internal and external audiences. The unit will provide learners with the opportunity to develop, analyse and evaluate a range of methods used to communicate different types of business information and explain the purpose of such communication. Learners will also be encouraged to consider how they would produce different types of business communication of their own and evaluate their effectiveness.</td></tr>
<tr><td colspan="2">1 Understand different types of business information</td><td colspan="2">Learners are required to demonstrate that they:
1.1 Describe how organisations use different types of business information to fulfil their purpose</td></tr>
<tr><td colspan="2">2 Know how to present business information effectively</td><td colspan="2">Learners are required to demonstrate that they:
2.1 Describe different types of cooperate communication</td></tr>
<tr><td colspan="2">3 Understand the limitations in relation to the use of business information in an organisation</td><td colspan="2">Learners are required to demonstrate that they:
3.1 Describe legal and ethical issues in relation to the use of business information in an organisation</td></tr>
<tr><td colspan="2">4 Know how to communicate business information using appropriate methods</td><td colspan="2">Learners are required to demonstrate that they:
4.1 Describe how organisations use electronic and nonelectronic methods to communicate business information internally and externally</td></tr>
<tr><td colspan="4">Indicative content

LO1
Data and information
Types of business data- internal and external
Characteristics of information – appropriate, current, reliable, valid
Sources of information – primary/secondary, formal/informal
Market research - data gathering, sampling methods

LO2
Reporting methods – graphical representation, reports, presentations
Reporting structure
Physical resources and IT requirements for presentations</td></tr>
</table>

LO3
Legal and ethical limitations of business information use
Data Protection Act and GDPR
Privacy and confidentiality
Copyright implications – ownership, duration
Intellectual property

LO4
Effective communication styles - assertive, aggressive, passive
Verbal and non-verbal communication
Body language and appearance
Personal space
Written communication
Developing rapport
Use of technology
Remote communication – telephone, video conferencing

<table>
<tr><td>Unit title</td><td colspan="3">U6 – Recruitment and Selection in Business – unit code tbc</td></tr>
<tr><td>Level</td><td colspan="3">RQF 3</td></tr>
<tr><td>GLH</td><td>65</td><td>Total Qualification Time</td><td>100</td></tr>
<tr><td colspan="2">Learning Outcomes</td><td colspan="2">Assessment Criteria</td></tr>
<tr><td colspan="4">Aim

This unit explains how an organisation recruits and selects staff and learners will develop their knowledge and understanding of the processes that a business uses. Learners will be shown how suitable documents are used to help select the right person for the job and how to plan an effective selection interview. They will be given a broad understanding of the key legislation concerning the processes of recruitment and selection and will understand how these laws affect a business, with reference to the role of the Human Resource department. This will help them in the future when attending a job interview or participating in a selection panel. The unit acknowledges the difficulty that staff within a Human Resource department experience as they prepare documents in readiness for advertising a job and then assess applicants against the set criteria. The learner will identify how legislation impacts on recruitment and selection, in particular the avoidance if any discrimination or bias in job advertisements and during a job interview. The unit will also enable learners to identify and develop techniques and skills to help them in the future when attending their own job interviews.</td></tr>
<tr><td colspan="2">1 Understand the process of recruitment</td><td colspan="2">Learners are required to demonstrate that they:
1.1 Describe how organisations plan to use internal and external sources for recruitment</td></tr>
<tr><td colspan="2">2 Understand the implication of regulatory framework for the process of recruitment and selection</td><td colspan="2">Learners are required to demonstrate that they:
2.1 Explain the impact of the legal and regulatory framework on recruitment and selection activities</td></tr>
<tr><td colspan="2">3 Know the documents available in selection and requirement activities</td><td colspan="2">Learners are required to demonstrate that they:
3.1 Describe documents required for selection and recruitment activities</td></tr>
<tr><td colspan="2">4 Be able to participate in a selection interview</td><td colspan="2">Learners are required to demonstrate that they:
4.1 Plan and take a part in selection interview</td></tr>
<tr><td colspan="4">Indicative content

LO1
Aims and purpose of recruitment
Recruitment process
Job description and person specification</td></tr>
</table>

Interview planning and preparation

LO2
Employment law relating to section and appointment
Contracts of employment
Discrimination – direct, indirect

LO3
Selection process
Application forms and CVs
References
Psychometric assessment methods
Personality testing

LO4
Interview roles and responsibilities
Interview panel composition
Question types – open, closed, leading, probing, clarifying
Effective listening skills
Observed body language