

Level 1 & 2 Award in Business Studies (8994)



Qualification handbook for centres

Level 1 – 500/7633/4

Level 2 – 500/7530/5

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Skills for a brighter future



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1 Introduction to the qualification

This document contains the information that centres need to offer the following qualifications:

Qualification title and levels	Level 1 Award in Business Studies	Level 1 Award in Business Studies
City & Guilds qualification number	8994-001	8994-002
Ofqual accreditation numbers	500/7633/4	500/7530/5

The Business Studies qualification is available at Level 1 and 2. These are free-standing single subject qualifications with their own certification. These qualifications enable candidates to demonstrate their understanding of business activity.

Assessment is by means of an externally set and externally marked examination for each level. This qualification functions as a stand alone qualification.

1.1 Qualification structure

To achieve the Level 1 Award in 8994 Business Studies, learners must achieve 5 credits from the mandatory unit.

To achieve the Level 2 Award in 8994 Business Studies, learners must achieve 7 credits from the mandatory unit.

The diagram below illustrates the unit titles, the credit value of each unit and the title of the qualification which will be awarded to candidates successfully completing the required unit and/or credits.

Accreditation unit reference	City & Guilds unit number	Unit title	Mandatory/ optional for full qualification	Credit value
F/600/3784	Unit 001	Level 1 Business Studies	Mandatory	5
L/600/3786	Unit 002	Level 2 Business Studies	Mandatory	7

1.2 Opportunities for progression

Business Studies Levels 1 and 2 provide a foundation for progression in to further Business Studies qualifications. Learners can progress on to the level 2/3 Certificate in Business Administration or the Level 1 or 2 N/SVQ in Business Administration. Please refer to the progression chart provided in appendix 1.

1.3 Qualification support materials

City & Guilds also provides the following publications and resources specifically for this qualification:

Description	How to access
Sample test papers	www.cityandguilds.com
Examination Support Guide	www.cityandguilds.com
Examination reports	www.cityandguilds.com
Performance codes	www.cityandguilds.com

2 Centre requirements

This section outlines the approval processes for Centres to offer these qualifications and any resources that Centres will need in place to offer the qualifications including qualification-specific requirements for Centre staff.

Centres already offering City & Guilds qualifications in this subject area

Existing centres wishing to offer this qualification will **not** need to gain qualification approval for these qualifications.

2.1 Resource requirements

Human resources

Staff delivering these qualifications must be able to demonstrate that they meet the following occupational expertise requirements. They should:

- be occupationally knowledgeable in the area of Office Procedures for which they are delivering training. This knowledge must be at least to the same level as the training being delivered
- have credible experience of providing training.

Centre staff may undertake more than one role, eg Specialist Tutor and Invigilator, but the Specialist Tutor must never be the sole invigilator.

Continuing professional development (CPD)

Centres are expected to support their staff in ensuring that their knowledge remains current of the occupational area and of best practice in delivery, mentoring, and training, and that it takes account of any national or legislative developments.

2.2 Candidate entry requirements

Candidates should not be entered for a qualification of the same type, content and level as that of a qualification they already hold.

There are no formal entry requirements for candidates undertaking these qualifications. However, centres must ensure that candidates have the potential and opportunity to gain the qualifications successfully.

Age restrictions

There are no age limits attached to candidates undertaking the qualifications unless this is a legal requirement of the process or the environment.

3 Units

Availability of units

Structure of units

The units in these qualifications are written in a standard format and comprise the following:

- City & Guilds reference number
- title
- level
- credit value
- unit aim
- endorsement by a sector or other appropriate body
- information on assessment
- learning outcomes which are comprised of a number of assessment criteria
- notes for guidance.

Unit 001

Level 1 Business Studies

Level: 1

Credit value: 5

Unit aim

The purpose and aim of the unit is to provide candidates with a broad understanding of business activity, organisation and context.

Learning outcomes

There are **five** learning outcomes to this unit. The learner will be able to:

1. know the principles of business
2. understand how businesses are organised
3. know how a business operates
4. know what is expected of people in business
5. know what influences and controls business.

Guided learning hours

It is recommended that **30** hours should be allocated for this unit. This may be on a full-time or part-time basis.

Endorsement of the unit by a sector or other appropriate body (if required)

This unit is endorsed by the Council for Administration (Cfa).

Assessment and grading

This unit will be assessed by:

an externally set and externally marked written examination.

Unit 001

Outcome 1

Level 1 Business Studies

know the principles of business

Assessment Criteria

The learner can:

1. Describe the principals of business
2. Identify different types of economy
3. Classify business activity
4. Describe the effects of trading
5. Identify and select the factors associated with the location of business.

Assessment Criteria Explained

For Criteria 1

Candidates should be able to define the terms: needs and wants; demand and supply; goods and services, specialisation and division of labour demonstrating an understanding of the terms using appropriate examples. They should be able to explain how the need for work and production arises from demand.

For Criteria 2

Candidates should be able to describe the terms: planned, market and mixed economies.

For Criteria 3

Candidates should be able to classify business activity between primary, secondary and tertiary sectors of business.

For Criteria 4

Candidates should be able to illustrate how the exchange of goods and services leads to interdependence of business locally, nationally and internationally, and be able to describe and illustrate the terms visible and invisible trade, imports and exports.

For Criteria 5

Factors: raw materials, population, markets, transport network, natural resources, government incentives and competition.

Unit 001

Outcome 2

Level 1 Business Studies

understand how businesses are organised

Assessment Criteria

The learner can:

1. Describe different models of business
2. Describe the organisation's structure
3. Explain the methods by which a business grows.
4. Describe different methods of internal and external communication.

Assessment Criteria Explained

For Criteria 1

Candidates must be able to state the features of different models of business in terms of ownership, control, sources of funding and distribution of profit or surplus - sole trader, partnership, limited companies (public and private) and multi-national organisations. Candidates must be able to outline what is meant by the public sector and define the terms limited liability and franchise, stating the objectives of one particular business.

For Criteria 2

Candidates must be able to draw and complete an organisational chart explaining what is shown and be able to identify examples of organisations' structures in terms of functions, product and markets.

For Criteria 3

Candidates must be able to state the reasons for growth and explain the methods eg internal expansion, horizontal, vertical and lateral integration. They should be able to distinguish between internal and external economies of scale and describe different types of insurance risks.

For Criteria 4

Candidates must be able to identify different methods of communication and be able to select appropriate methods of communication for given situations. This included electronic means.

Unit 001

Level 1 Business Studies

Outcome 3

know how a business operates

Assessment Criteria

The learner can:

1. Describe forms of production and the chain of production
2. Describe the role of marketing in business
3. Describe business finance
4. Select different types of transport for given situations.

Assessment Criteria Explained

For Criteria 1

Candidates must be able to describe different forms of production eg job, batch and flow and explain the difference between them. They should be able to describe concept of the chain of production, from manufacturer to consumer and define the concept of product life cycles.

For Criteria 2

Candidates must be able to describe the role of market research and the main marketing methods and their appropriateness in particular situations. They should be able to define the term 'marketing mix' and illustrate the relationships between the '4 Ps' (Product, Place, Price, Promotion).

For Criteria 3

Candidates must be able to explain the terms fixed and variable costs, gross and net profit and profit margin and be able to calculate the price of a product from simple information. They should be able to define the terms creditor and debtor and describe sources of financing such as loans, overdrafts, hire purchase and retained profits and different methods of payment such as cheques, credit transfers, credit/debit cards, online banking.

For Criteria 4

Candidates must be able to identify different types of transport and explain the reasons for their choice.

Unit 001

Outcome 4

Level 1 Business Studies

know what is expected of people in business

Assessment Criteria

The learner can:

1. List the different forms of monetary and non-monetary rewards from work
2. Describe the roles of the human resources (personnel) department in the recruitment process
3. Outline the difference between on-the-job and off-the-job training
4. State why health and safety is important in the workplace.

Assessment Criteria Explained

For Criteria 2

To include job description, advertising and selection.

Unit 001

Level 1 Business Studies

Outcome 5

know what influences and controls business.

Assessment Criteria

The learner can:

1. Identify local and national agencies
2. State the role of pressure groups in influencing business activities.

Assessment Criteria Explained

For Criteria 1

Agencies: Chambers of Commerce, trade associations, banks, consumer protection groups.

For Criteria 2

The candidate should be able to identify well-known pressure groups and state how they can influence business activities

Unit 002

Level 2 Business Studies

Level: 2

Credit value: 7

Unit aim

The purpose and aim of the unit is to provide candidates with the skills to enable them to function competently and the knowledge to offer solutions to business problems in a range of business situations.

Learning outcomes

There are **five** learning outcomes to this unit. The learner will be able to:

1. understand the context of business in the economy
2. understand how businesses are structured and organised
3. know about the decision-making, planning and control tools in business
4. understand the social context of business
5. know about the factors that influence and control business

Guided learning hours

It is recommended that **60** hours should be allocated for this unit. This may be on a full-time or part-time basis.

Endorsement of the unit by a sector or other appropriate body (if required)

This unit is endorsed by the Council for Administration.

Assessment and grading

This unit will be assessed by:

- an externally set and externally marked written examination.

Unit 002

Level 2 Business Studies

Outcome 1

understand the context of business in the economy

Assessment Criteria

The learner can:

1. Explain the theory of enterprise and economic principles
2. Explain what is meant by the specialisation and division of labour
3. Explain the factors that determine the location of business
4. Explain business trading.

Assessment Criteria Explained

For Criteria 1

Candidates must be able to demonstrate an understanding of the theory of enterprise and the economic principles upon which all businesses operate taking into account differences in size and activity.

For Criteria 3

Candidates should be able to state and explain factors such as raw materials, population, markets, transport network, natural resources, government incentives and competition.

For Criteria 4

Candidates must be able to explain the benefits of international trade, the theory of comparative advantage and the purpose of trade blocs, eg co-operative and protective. Candidates should be able to describe the terms balance of trade and balance of payments and carry out related calculations.

Unit 002

Level 2 Business Studies

Outcome 2

understand how businesses are structured and organised

Assessment Criteria

The learner can:

1. Explain what is meant by the term 'an organisation's business objectives'
2. Describe the formal structure of an organisation, and the basic principles of management
3. Explain the relationship between size, growth and risk in any business organisation
4. Describe an organisation's assets.

Assessment Criteria Explained

For Criteria 2

Candidates should be able to illustrate the formal structure of an organization through the use of diagrams or charts, and describe the basic principles of management: - delegation, chain of command, span of control.

For Criteria 3

Including multi-nationals.

For Criteria 4

Candidates should be able to distinguish between the following: owner capital, loan capital, capital employed, working capital, fixed assets, current assets, turnover and profit.

Unit 002

Level 2 Business Studies

Outcome 3

know about the decision-making, planning and control tools in business

Assessment Criteria

The learner can:

1. Explain the main functions in an organisation
2. Explain the role of management in planning and controlling functions and departments
3. Identify the role of marketing
4. Analyse simple financial data.

Assessment Criteria Explained

For Criteria 1

Candidates should be able to identify and explain the main departments of a business and their individual functions and the relationship and interdependence between the different departments.

For Criteria 2

Candidates should be able to explain ways in which management influences planning and control over functions and departments using the techniques such as budgeting, costs and pricing, cash control, stock control, credit control.

For Criteria 3

Candidates should be able to identify the role and methods of market research and marketing in planning and deciding on the appropriate mix of approaches

For Criteria 4

Candidates should be able to analyse data in final accounts including comparative figures, break-even charts.

Unit 002

Outcome 4

Level 2 Business Studies

understand the social context of business

Assessment Criteria

The learner can:

1. Explain how work meets human needs
2. Describe the recruitment and induction process.

Assessment Criteria Explained

For Criteria 1

Candidates should be able to identify motivational theories of Maslow, Herzberg and McGregor, and differentiate between financial and non-financial awards.

For Criteria 2

Candidates must be able to describe the recruitment process from person specification to appointment, and the stages involved, and the main purpose and benefits of induction.

Unit 002

Outcome 5

Level 2 Business Studies

know about the factors that influence and control business

Assessment Criteria

The learner can:

1. Explain the influences on business decisions
2. Explain the impact of information technology on business activity.

Assessment Criteria Explained

For Criteria 1

Candidates must be able to explain the importance of environmental, social, economic and technological influences on business decisions.

For Criteria 2

Candidates should also be able to explain the impact of e-commerce.

4 Assessment

4.1 Summary of assessment methods

For this qualification, candidates will be required to complete the following assessments:

Level 1

Examination

The Level 1 examination is in two sections and lasts for 1 hour 30 minutes' (plus 5 minutes reading time).

The examination paper will be a question answer booklet, if additional sheets of paper are used, make sure they are clearly labelled with the candidate's name.

Section A

- 15 short answer questions covering topics from all sections of the syllabus.
- 1-3 marks will be awarded for each question in this section.
- A total of 35 marks will be available in this section.

Section B

- Two structured answer questions primarily covering syllabus areas 2 and 3 worth 15 marks each.
- One question covering the remaining syllabus areas (1, 4 or 5) worth 5 marks.
- A total of 35 marks will be available in this section

All questions are compulsory.

Assessment

Marks for section A and B are aggregated.

To be awarded a Pass candidates must achieve 54% overall.

To be awarded a First Class Pass candidates must achieve 70% overall.

Level 2

Examination

The Level 2 examination is in two sections and lasts for 2 hours (plus 5 minutes' reading time).

Section A

- 12 short answer questions covering topics from all sections of the syllabus.
- 1-3 marks will be awarded for each question in this section.
- A total of 30 marks will be available in this section.

Section B

- Two structured answer questions primarily covering syllabus areas 2 and 3 worth 15 marks each.
- One question covering the remaining syllabus areas (1, 4 or 5) worth 10 marks.
A total of 40 marks will be available in this section.
- The examination paper will be a question answer booklet, if additional sheets of paper are used, make sure they are clearly labelled with the candidate's name.

All questions are compulsory.

Assessment

Marks for section A and B are aggregated.

To be awarded a Pass candidates must achieve 54% overall.

To be awarded a First Class Pass candidates must achieve 70% overall.

5 Course design and delivery

5.1 Initial assessment and induction

Centres will need to make an initial assessment of each candidate prior to the start of their programme to ensure they are entered for an appropriate type and level of qualification.

The initial assessment should identify:

- any specific training needs the candidate has, and the support and guidance they may require when working towards their qualification. This is sometimes referred to as diagnostic testing.
- any units the candidate has already completed, or credit they have accumulated which is relevant to the qualification they are about to begin.

City & Guilds recommends that centres provide an induction programme to ensure the candidate fully understands the requirements of the qualification they will work towards, their responsibilities as a candidate, and the responsibilities of the centre. It may be helpful to record the information on a learning contract.

Further guidance about initial assessment and induction, as well as a learning contract that centres may use, are available on the City & Guilds website.

5 Course design and delivery

5.2 Recommended delivery strategies

Centre staff should familiarise themselves with the structure, content and assessment requirements of the qualification before designing a course programme.

Centres may design course programmes of study in any way which:

- best meets the needs and capabilities of their candidates
- satisfies the requirements of the qualification.


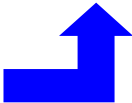

In particular, staff should consider the skills and knowledge related to the national occupational standards.

City & Guilds recommends that centres address the wider curriculum, where appropriate, when designing and delivering the course. Centres should also consider links to the National Occupational Standards, Key/Core Skills and other related qualifications.

Centres may wish to include topics as part of the course programme which will not be assessed through the qualification.

Appendix 1

Progression Diagram

E N T R Y L E V E L	Occupational roles	Relevant Qualifications	Level
		ILEX Professional Higher Diploma in Law	6
	 Office Manager	ILM N/SVQ in Management ILM Leadership VRQs	5
	 Team leader Supervisor	 4404 N/SVQ in Business and Administration 4543 N/SVQ in Customer Service ILM N/SVQ in Management	4
	Senior Secretary/ PA Administrator	 4404 N/SVQ in Business and Administration 4413 Business and Administration 4417 Certificate in Customer Service 4419 Medical support qualifications 4543 N/SVQ in Customer Service 7266 e-Quals07 VRQs 7461 Diploma in Vocational Paralegal Studies 7465 Legal support qualifications 8992 Customer Service ILEX Professional Diploma in Law ILM First Line Management VRQs ILM Leadership VRQs ILM N/SVQ in Management	3
	 Receptionist Secretary Administration Legal Secretary Medical Administrator/ Secretary	 4404 N/SVQ in Business and Administration 4413 Business and Administration 4417 Certificate in Customer Service 4419 Medical support qualifications 4543 N/SVQ in Customer Service 7266 e-Quals07 VRQs 7462 Legal Studies 7465 Legal Support qualifications 8992 Customer Service 8993 Office Procedures 8994 Business Studies ILM N/SVQ in Team Leading ILM Team Leading VRQs	2
	 Junior secretary Administration Assistant	 4343 N/SVQ in Customer Service 4404 N/SVQ in Business and Administration 4418 Award/ Certificate in Business and Administration 4424 Certificate for Introduction to the Contact Centre Industry 7266 e-Quals07 VRQs 8952 Audio Transcription 8980 Shorthand 8992 Customer Service 8993 Office Procedures 8994 Business Studies	1

ENTRY LEVEL

Appendix 2 Sources of general information

The following documents contain essential information for centres delivering City & Guilds qualifications. They should be referred to in conjunction with this handbook. To download the documents and to find other useful documents, go to the **Centres and Training Providers homepage** on www.cityandguilds.com.

Centre Guide – Delivering International Qualifications contains detailed information about the processes which must be followed and requirements which must be met for a centre to achieve ‘approved centre’ status, or to offer a particular qualification. Specifically, the document includes sections on:

- The centre and qualification approval process and forms
- Assessment, verification and examination roles at the centre
- Registration and certification of candidates
- Non-compliance
- Complaints and appeals
- Equal opportunities
- Data protection
- Frequently asked questions.

Providing City & Guilds qualifications – a guide to centre and qualification approval contains detailed information about the processes which must be followed and requirements which must be met for a centre to achieve ‘approved centre’ status, or to offer a particular qualification. Specifically, the document includes sections on:

- The centre and qualification approval process and forms
- Assessment, verification and examination roles at the centre
- Registration and certification of candidates
- Non-compliance
- Complaints and appeals
- Equal opportunities
- Data protection
- Frequently asked questions.

Access to Assessment & Qualifications provides full details of the arrangements that may be made to facilitate access to assessments and qualifications for candidates who are eligible for adjustments in assessment.

The **centre homepage** section of the City & Guilds website also contains useful information such on such things as:

- ***Walled Garden***
Find out how to register and certificate candidates on line
- ***Qualifications and Credit Framework (QCF)***
Contains general guidance about the QCF and how qualifications will change, as well as information on the IT systems needed and FAQs

Useful contacts

Type	Contact	Query
UK learners	T: +44 (0)20 7294 2800 E: learnersupport@cityandguilds.com	<ul style="list-style-type: none"> • General qualification information
International learners	T: +44 (0)20 7294 2885 F: +44 (0)20 7294 2413 E: intcg@cityandguilds.com	<ul style="list-style-type: none"> • General qualification information
Centres	T: +44 (0)20 7294 2787 F: +44 (0)20 7294 2413 E: centresupport@cityandguilds.com	<ul style="list-style-type: none"> • Exam entries • Registrations/enrolment • Certificates • Invoices • Missing or late exam materials • Nominal roll reports • Results
Single subject qualifications	T: +44 (0)20 7294 8080 F: +44 (0)20 7294 2413 F: +44 (0)20 7294 2404 (BB forms) E: singlesubjects@cityandguilds.com	<ul style="list-style-type: none"> • Exam entries • Results • Certification • Missing or late exam materials • Incorrect exam papers • Forms request (BB, results entry) • Exam date and time change
International awards	T: +44 (0)20 7294 2885 F: +44 (0)20 7294 2413 E: intops@cityandguilds.com	<ul style="list-style-type: none"> • Results • Entries • Enrolments • Invoices • Missing or late exam materials • Nominal roll reports
Walled Garden	T: +44 (0)20 7294 2840 F: +44 (0)20 7294 2405 E: walledgarden@cityandguilds.com	<ul style="list-style-type: none"> • Re-issue of password or username • Technical problems • Entries • Results • GOLLA • Navigation • User/menu option problems
Employer	T: +44 (0)121 503 8993 E: business_unit@cityandguilds.com	<ul style="list-style-type: none"> • Employer solutions • Mapping • Accreditation • Development Skills • Consultancy
Publications	T: +44 (0)20 7294 2850 F: +44 (0)20 7294 3387	<ul style="list-style-type: none"> • Logbooks • Centre documents • Forms • Free literature

If you have a complaint, or any suggestions for improvement about any of the services that City & Guilds provides, email: feedbackandcomplaints@cityandguilds.com

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