

## SQA Advanced Unit Specification

### General information for centres

**Unit title:** Managing People and Organisations

**Unit code:** HP71 47

**Unit purpose:** This Unit is designed to enable candidates to gain an understanding of different approaches to managing an organisation in today's dynamic and complex business environment. It will introduce candidates — whether intending to or working in an administrative, commercial or management role — to current management theories to enable them to use these to evaluate organisational effectiveness.

On completion of the Unit the candidate should be able to:

- 1 Explain the characteristics and purpose of the organisation and its environment.
- 2 Analyse factors that influence workplace performance.
- 3 Analyse factors that influence managerial performance.
- 4 Identify and compare alternative approaches to organising people within the workplace.

**Credit points and level:** 2 SQA Credits at SCQF level 7: (16 SCQF credit points at SCQF level 7\*)

*\*SCQF credit points are used to allocate credit to qualifications in the Scottish Credit and Qualifications Framework (SCQF). Each qualification in the Framework is allocated a number of SCQF credit points at an SCQF level. There are 12 SCQF levels, ranging from National 1 to Doctorates.*

**Recommended prior knowledge and skills:** Access to this Unit is at the discretion of the centre but it would be beneficial if candidates possess good communication skills which may be evidenced by the Core Skill *Communication* at SCQF level 5 or equivalent.

**Core Skills:** There are opportunities to develop the Core Skill components of Written Communication, Critical Thinking and Reviewing and Evaluating at SCQF level 6 in this Unit, although there is no automatic certification of Core Skills or Core Skills components.

**Context for delivery:** If this Unit is delivered as part of a Group Award, it is recommended that it should be taught and assessed within the subject area of the Group Award to which it contributes.

**Assessment:** Assessment may take place on an open-book basis with structured questions based on stimulus materials requiring candidates to produce a written or oral response.

An exemplar assessment pack and marking guidelines have been produced to indicate the national standard of achievement required at SCQF level 7.

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**Unit specification: statement of standards**

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The sections of the Unit stating the Outcomes, Knowledge and/or Skills, and Evidence Requirements are mandatory.

**Outcome 1**

Explain the characteristics and purpose of the organisation and its environment

**Knowledge and/or Skills**

- ◆ Types of organisation
- ◆ Formal and informal organisation
- ◆ Organisational goals, objectives, and policies
- ◆ Open Systems Theory
- ◆ Stakeholder Theory
- ◆ Strategies for organisational control

**Evidence Requirements**

Candidates will need to provide evidence to demonstrate their Knowledge and/or Skills by showing that they can:

- ◆ correctly identify the main differences between the formal organisation and informal organisation
- ◆ clearly illustrate the relationship between organisational goals, objectives, and policy and justify their contribution to the effective management of a given organisation
- ◆ explain the nature of Open Systems Theory and apply it to a given organisation
- ◆ outline the different stakeholders of an organisation and explain the influence and interest of each stakeholder in a given organisation
- ◆ propose a strategy of control in a given organisation and justify its suitability

**Assessment Guidelines**

Refer to Outcome 4.

**Outcome 2**

Analyse factors that influence workplace performance

**Knowledge and/or Skills**

- ◆ Nature and theories of motivation
- ◆ Job performance
- ◆ Nature and theories of teamwork

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### **Evidence Requirements**

Candidates will need to provide evidence to demonstrate their Knowledge and/or Skills by showing that they can:

- ◆ explain and apply an appropriate content and an appropriate process theory of motivation to explain individual behaviour in a given situation
- ◆ highlight methods which management can use to improve job performance in a given situation and explain their suitability
- ◆ accurately explain the importance of teamwork and apply it to a given situation
- ◆ identify and analyse at least three factors that affect team cohesiveness and performance in a given situation and examine their influence

### **Assessment Guidelines**

Refer to Outcome 4.

## **Outcome 3**

Analyse factors that influence managerial performance

### **Knowledge and/or Skills**

- ◆ Management roles and activities
- ◆ Managerial effectiveness
- ◆ The nature and theories of leadership

### **Evidence Requirements**

Candidates will need to provide evidence to demonstrate their Knowledge and/or Skills by showing that they can:

- ◆ examine the nature of managerial work and highlight the relevant roles and activities associated with managing in a given situation
- ◆ justify two ways in which managerial performance can be measured and in each case explain how the measure can be used to assess managerial performance
- ◆ suggest an appropriate behavioural theory of leadership to explain the approach of a manager and apply it to a given situation
- ◆ suggest an appropriate contingency or transformational leadership theory of leadership to explain the approach of a manager and apply it to a given situation
- ◆ explain and analyse how theories of leadership can be used to improve the way in which managers lead staff and apply it to a given situation

### **Assessment Guidelines**

Refer to Outcome 4.

### Outcome 4

Identify and compare alternative approaches to organising people and activities within the workplace

#### Knowledge and/or Skills

- ◆ Forms of organisational structure
- ◆ Types of structural relationship
- ◆ Contingency approach

#### Evidence Requirements

Candidates will need to provide evidence to demonstrate their Knowledge and/or Skills by showing that they can:

- ◆ explain and illustrate line, staff, functional and lateral relationships within a given organisation.
- ◆ highlight and justify the relevance of authority, responsibility and delegation to line relationships within a given organisation.
- ◆ accurately describe and illustrate the type of organisational structure currently adopted by a given organisation.
- ◆ suggest and describe an alternative form of structure which a given organisation could adopt and which could be more appropriate to its current situation. The description should include a diagram with each part clearly labelled.
- ◆ justify how the suggested alternative structure is consistent with the main situational variables of a contingency approach to structure.

#### Assessment Guidelines

It is possible that either of two different forms of assessment could be used to generate the necessary evidence.

The first method of assessment could be an open-book response covering Outcomes 1 to 4. It could be based on a case study of a real or fictitious organisation which, for Outcome 4, would require a solution to a structural problem of a work/organisation. Candidates will be required to examine the given problem and prepare and present their solutions to the problem. If desired this could be presented in a way which would give candidates an opportunity to provide content which may provide opportunity for integration with *Communication: Business Communication* (HP75 47). While it is recommended that some form of case study stimuli be used for assessment purposes, candidates who have current or past work experience may be able to base their response upon an organisation in which they have or do work. A single case study based upon a real or fictitious organisation can be used for the assessment of all four Outcomes or for any combination of Outcomes.

A second possible option for assessment would be to use separate case studies for each Outcome. If this is the case the case studies are likely to be shorter. Candidates who have access to a suitable organisation could complete Outcome 4 with reference to that organisation.

It is unlikely that candidates will be assessed via a single submission. Individual Outcomes and/or logical groupings of Outcomes (for example Outcomes 1 and 4 or Outcomes 2 and 3) will most likely provide candidates with the best opportunities to satisfy the Evidence Requirements of the Unit. Where centres wish, opportunities exist to use more than one instrument of assessment. For example, in addition to the use of structured questions for an Outcome(s), some form of group assessment could be used for Outcome 2.

Any of the Outcomes could be assessed in the candidate's own time via an assessment based upon an

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organisation that enables the examination of the nature of an organisation and one that could benefit from restructuring. This would enable candidates to explain goals, objectives and policies and identify stakeholders of the organisation; justify control strategies for that organisation; and explain the relevance of systems theory to the organisation. In addition candidates should be able to present an alternative structure.

Candidates could be given approximately two weeks to research and prepare evidence and perhaps a further week to write up the evidence. Centres could use questioning to authenticate learning and to ensure responses are candidates' own work.

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### Administrative information

<b>Unit code:</b>	HP71 47
<b>Unit title:</b>	Managing People and Organisations
<b>Superclass category:</b>	AF
<b>Original date of publication:</b>	August 2017
<b>Version:</b>	01

### History of changes:

Version	Description of change	Date

**Source:** SQA

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### **Unit specification: support notes**

#### **Unit title: Managing People and Organisations**

This part of the Unit specification is offered as guidance. The support notes are not mandatory.

While the exact time allocated to this Unit is at the discretion of the centre, the notional design length is 80 hours.

#### **Guidance on the content and context for this Unit**

This Unit is designed to provide candidates with a knowledge of management within work organisations and the methods and approaches that may be used to improve individual and team performance.

It is mandatory within the SQA Advanced Certificate/ Diploma Business Group Awards (GM8A 47 and GM8Y 48) but may form part of other group awards or be delivered on a stand-alone basis.

Although the Unit is designed to provide an understanding of the theories behind management, organisation and employee performance, candidates will apply these theories to organisational situations. The essence of this Unit is to enable candidates to gain an understanding of the activities of a work organisation and that management of people should be directed towards given organisational goals. Although an understanding of earlier approaches is useful, concentration should be placed on more modern approaches and ideas that review the management styles and roles necessary for organisations of the 21st century.

The following gives some information on possible content for the Outcomes. It is intended as guidance and is not intended as a comprehensive statement of what could, or should be, covered. It is provided to help deliverers decide what to include in the material used for this Unit.

#### **Outcome 1**

This Outcome can set the scene by providing candidates with an overview of the basic nature and functioning of different types of organisation. The relationship between objectives, goals and policies, the influence of the external environment and internal and external stakeholders will enable candidates to develop an understanding of the context within which organisations function. Child's strategies of control (personal centralised, bureaucratic, output and cultural) may be linked to types of organisation (such as manufacturing, public sector, voluntary sector, etc) when delivering this Outcome.

#### **Outcome 2**

This Outcome looks at individual performance and motivation. Again it is important to relate the theories to specific situations. There are a wide range of different theoretical approaches to motivation and to team work. The following gives some guidance on ones that may be useful. It may not be appropriate to cover all the following and deliverers may prefer to substitute alternative theories and approaches to those below.

Content theories of motivation: Herzberg; Maslow; Alderfer.

Process theories of motivation: equity theory; goal theory; expectancy theory.

Individual differences which affect job performance include ability, perception, learning and attitude formation and change.

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Methods of improving job performance: job design, empowerment, autonomy, work organisation, selection, training, financial and non-financial rewards.

Teamwork: Belbin's team role theory; stages of group development — Tuckman.

Factors affecting team cohesion and performance: consultation; participation; communication; clarity of roles; team size; team objectives.

### **Outcome 3**

For Outcome 3, candidates should be able to describe the distinctive features of managerial work and the activities which managers undertake in relation to what happens in specific organisations. They should also be able to identify indicators that can be used to judge managerial effectiveness. They should be able to explain the role and importance of leadership and be aware of different theories of leadership. They should recognise that theories of leadership fall into different categories such as behavioural, contingency and transformational and that there are different theories within these categories. In addition, theories of leadership and approaches to management overlap. In describing the importance of leadership, candidates should be able to identify the approach or approaches adopted by managers in a particular situation and suggest, where necessary, a more appropriate style. They should also be able to explain how theories of leadership can be used to suggest ways in which managers can improve their performance as leaders.

Once again, there are a wide range of different theoretical approaches to management and leadership. The following gives some guidance on ones that may be useful for this Unit. It may not be appropriate to cover all the following and deliverers may prefer to substitute alternative theories and approaches to those below.

Roles and activities of managers: Mintzberg's roles; Fayol — planning, organising, command, co-ordinating, controlling; Drucker — setting objectives, organising, motivating and communicating, measuring, developing people; Naylor's duties of management (achieving objectives, working with and through people, making the most of available resources; balancing equity, efficiency and effectiveness).

Measures of managerial effectiveness: efficiency (eg budgetary targets); economy (eg cost of inputs); effectiveness (eg productivity, meeting profit targets, quality standards); equity (eg measures of employee satisfaction).

Approaches to management: McGregor's Theory X and Theory Y; Likert's model of management systems; Ouchi's Theory Z.

Behavioural theories of leadership: Adair; Ohio Studies; task and people orientation; managerial grid; Tannenbaum & Schmidt.

Contingency theories of leadership: Hersey & Blanchard; Fiedler; Vroom & Yetton.

Transformational theories of leadership: Bass; Bennis & Nanus.

The content of this Unit should be kept relevant to candidates through the appropriate use of examples that include organisations of different size, operating in different markets and from the public and private sectors.

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### **Outcome 4**

Outcome 4 looks at the alternative methods by which work organisations can be structured and should highlight that in a dynamic environment, to provide quality through effective performance, many organisations have had to adapt and re-design their method of people management and organisation. Candidates should be aware of different ways in which organisational activities can be divided and grouped together such as functional, product/service or geographical. Candidates should develop an understanding of the difference between line, staff, functional and lateral relationships within an organisation and identify and describe examples of authority, responsibility and delegation. They should be familiar with the various forms of organisational structure. The contingency approach can be used to demonstrate how the structure of an organisation may be affected by factors such as task, technology, size and its environment.

The critical requirement is that candidates should be able to apply the concepts that they have studied to the situation of a particular organisation.

### **Guidance on the delivery and assessment of this Unit**

This Unit is designed to enable candidates to gain an understanding of different approaches to managing an organisation in today's dynamic and complex business environment. It can be delivered through lecturer mediated discussion, the provision of appropriate examples and case studies, and by reading appropriate management texts. The Unit aims to focus on the practical application of theory to describe and explain different approaches used within a range of work organisations.

The Unit can be delivered by addressing Outcomes in a sequential order, though centres may choose to deliver Outcomes in an order which meets the needs individual candidates and/or groups. Content may also be grouped in a logical manner, for example linking Outcomes 1 and 4 and/or Outcomes 2 and 3.

For assessment, candidates will be expected to apply their knowledge and understanding to a particular situation. They are not expected to provide exhaustive lists pertaining to theory that does not apply to the particular organisation concerned.

The Unit should enable candidates to demonstrate that they can holistically interpret the organisation, management and performance of employees in an integrated way. The evidence provided by candidates should demonstrate that they are able to select appropriate models and approaches specific to the situation described in a case study.

It is recommended that all assessment responses are not left to the end of the Unit, though a holistic approach may be taken to the assessment of all four Outcomes. Instruments of assessment should be based upon a real or imaginary organisation with case study stimuli most likely to be used. Candidates should be provided with, or directed to, information about such an organisation and its environment. If candidates are directed to gather information, any case study stimulus material should be based upon an organisation that they are familiar with, or one about which they can easily gather data. Candidates who have current or past work experience may be able to base their response on an organisation in which they are, or have been employed.

Assessment could consist of structured questions covering the Evidence Requirements of each Outcome, with candidates producing written or oral responses. It would be possible if preferred, to use more than one instrument of assessment. If this approach is used, the same or differing organisations could be used for the different assessments. For example, a group-based assessment could be used as a means to generate evidence in Outcome 2.

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Candidates will be required to analyse the given problem and prepare and present their solutions to the problem, and specifically, they will be required to provide a solution for a structural problem of the organisation. If desired, the response could be presented in a way, which would give candidates an opportunity to practice using a report or project format.

### *Opportunities for developing Core Skills*

There are opportunities to develop the Core Skill components of Written Communication (Reading) at SCQF level 6, Written Communication (Writing) at SCQF level 6, Critical Thinking at SCQF level 6 and Reviewing and Evaluating at SCQF level 6 in this Unit, although there is no automatic certification of Core Skills or Core Skills components.

#### Core Skill component Written Communication (Reading) at SCQF level 6

Candidates are expected to read and understand complex written information — the general skill of this component. They are expected to make use of theoretical concepts in organisation theory and will, therefore, have to read relevant material relating to these ideas. This information is conventionally available in textbook and similar sources such as websites which involve complex written material. Candidates may be required during their study for the Unit to prepare notes from such sources which will require that they identify and summarise relevant ideas and supporting details through their reading of the information available. In this way they will be able to demonstrate the first of the two specific skills associated with this Core Skills component.

#### Core Skill component Written Communication (Writing) at SCQF level 6

Candidates can provide written evidence to meet the Evidence Requirements for all four Outcomes. For Outcomes 1–4 it is anticipated candidates will provide a written response which could be a response which will have to be well structured, laid out in a logical order showing sequential thinking and organisation of findings. By doing this, they could provide evidence for the general skill of this component which is ‘Produce well-structured written communication on complex topics’. The report in particular could allow candidates to demonstrate that they can meet all the specific skills associated with this general skill. For example, a good report would present all essential ideas and information on the way in which an organisation is structured in a logical and effective order as well as providing suitable supporting detail. The report itself would be presented in a way which can take account of the purpose of the report and the audience and which links major and minor points in ways which assist the clarity of the report and the impact of the writing. The report would use a suitable structure, format and layout and, therefore, employ effective conventions to achieve its purpose. Spelling and punctuation would be accurate.

#### Core Skill component Critical Thinking at SCQF level 6

The general skill for this component is ‘Analyse a complex situation or issue’. A summative assessment for Outcomes 1 - 4 in the form of a report would require that candidates apply relevant concepts and approaches to explain what is taking place in a particular organisation. Candidates may also undertake formative assessment to help them prepare for the final assessment. Applying concepts and approaches effectively give candidates the opportunity to demonstrate this Core Skill component. For example, this can involve the identification of the factors involved in organisational structure and an assessment of their relevance to particular concepts and approaches in the study of organisations and the management of people within organisations. It can also include a justification of why the concept or approach is a relevant way to explain the particular situation faced by the organisation. Candidates could be encouraged to adopt this approach to their assessment to aid the development of this Core Skill. This Unit could, therefore, yield evidence which candidates could use to demonstrate their achievement of this Core Skill component.

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Core Skill component Reviewing and Evaluating at SCQF level 6

A summative assessment for Outcomes 1–4 in the form of a response which will have to be well structured, laid out in a logical order showing sequential thinking and organisation of findings would require that candidates suggest an alternative and more appropriate structure for an organisation. This can involve the specific skill of ‘draw conclusions and make recommendations’. The conclusion should be based on an analysis of the organisation’s current structure which makes use of relevant theoretical concepts. Candidates need, therefore, to make use of all the evidence available to them in order to make a recommendation for improvement of which could be considered as a system. The completion of a response which will have to be well structured, laid out in a logical order showing sequential thinking and organisation of findings for Outcomes 1 - 4 could, therefore, provide evidence which could be used for this Core Skill component.

### **Open learning**

If this Unit is delivered by open or distance learning methods, additional resources will be required for candidate support, assessment and quality assurance. It would require planning by the centre to ensure the sufficiency and authenticity of candidates’ evidence.

### **Equality and inclusion**

This Unit specification has been designed to ensure that there are no unnecessary barriers to learning or assessment. The individual needs of learners should be taken into account when planning learning experiences, selecting assessment methods or considering alternative evidence.

Further advice can be found on our website [www.sqa.org.uk/assessmentarrangements](http://www.sqa.org.uk/assessmentarrangements).

## **General information for candidates**

### **Unit title: Managing People and Organisations**

This Unit will introduce you to the nature of work organisations, approaches to management and leadership and factors affecting individual and team performance.

The Unit should provide you with an understanding of the theories behind management, organisation and employee performance and how you should apply these theories to organisational situations. The basic nature and functioning of work organisations in general will be explained and you will examine different approaches that may be used to improve individual and team performance through effective leadership and management. To assist your overall understanding earlier theories and models will be described but concentration will be placed on more modern approaches and ideas that review the management styles and roles regarded as necessary for organisations of the 21st century. The Unit will also explain the alternative methods by which work organisations can be structured.

On completion of this Unit you will be able to identify and apply a knowledge of organisational, management and leadership theory and practice to a range of given situations.

The Unit may be assessed on an open-book basis using structured questions on a real or imaginary organisation.

When undertaking the Unit you may have the opportunity to develop the Core Skills of *Communication* at SCQF level 6 and *Problem Solving* at SCQF level 6, although these may not be assessed or certificated.