



OTHM LEVEL 4 DIPLOMA IN ACCOUNTING AND BUSINESS

Qualification Number: 603/3805/2

(RQF) Specification | November 2018 | Version 1.0

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QUALIFICATION OBJECTIVES

Accounting and finance are at the very heart of business operations. From banking to manufacturing, from huge service industries to micro businesses, the ability to manage, plan and account for money is still the ultimate measure of business success and the key driver of growth.

Many accountants occupy key managerial positions in business, yet few are qualified managers. In the increasingly complex modern business environment, there is a high demand for skilled professionals who can work flexibly in teams across business boundaries.

The objective of the OTHM Level 4 Diploma in Accounting and Business qualification is to provide learners with an understanding of accounting and business in the broader business context, and to provide them with the practical, industry-focused skills to manage business finances, budgets and cash flow effectively, and to play a key role in business growth.

Learner will build the knowledge and skills required for a career in a wide range of businesses, where accounting and business literacy are key skills for managers at all levels.

QUALITY, STANDARDS AND RECOGNITIONS

OTHM Qualifications are approved and regulated by Ofqual (Office of Qualifications and Examinations Regulation). Visit register of [Regulated Qualifications](#).

OTHM has progression arrangement with several UK universities that acknowledges the ability of learners after studying Level 3-7 qualifications to be considered for advanced entry into corresponding degree year/top up and Master's/top-up programmes.

REGULATORY INFORMATION

Qualification Title	OTHM Level 4 Diploma in Accounting and Business
Ofqual Ref. No.	603/3805/2
Regulation Start Date	05/11/2018
Operational Start Date	07/11/2018
Duration	1 Year
Total Credit Value	120 Credits
Total Qualification Time (TQT)	1200 Hours
Guided Learning Hours (GLH)	480 Hours

Sector Subject Area (SSA)	15.1 Accounting and finance
Overall Grading Type	Pass / Fail
Assessment Methods	Coursework
Language of Assessment	English

EQUIVALENCES

OTHM qualifications at RQF Level 4 represent practical knowledge, skills, capabilities and competences that are assessed in academic terms as being equivalent to Higher National Certificates (HNC) and Year 1 of a three-year UK Bachelor's degree programme.

QUALIFICATION STRUCTURE

The OTHM Level 4 Diploma in Accounting and Business consists of 6 mandatory units for a combined total of 120 credits, 1200 hours Total Qualification Time (TQT) and 480 Guided Learning Hours (GLH) for the completed qualification.

Unit Ref. No.	Mandatory unit title	Credit	GLH	TQT
R/617/3292	The Accountant's Environment	20	80	200
L/617/3291	Quantitative Methods	20	80	200
J/617/3290	Financial Accounting	20	80	200
R/617/3289	Management Accounting	20	80	200
L/617/3288	Management Concepts and Practice	20	80	200
J/617/3287	Business Economics	20	80	200

DEFINITIONS

Total Qualification Time (TQT) is the number of notional hours which represents an estimate of the total amount of time that could reasonably be expected to be required in order for a Learner to achieve and demonstrate the achievement of the level of attainment necessary for the award of a qualification.

Total Qualification Time is comprised of the following two elements –

- a) the number of hours which an awarding organisation has assigned to a qualification for Guided Learning, and*
- b) an estimate of the number of hours a Learner will reasonably be likely to spend in preparation, study or any other form of participation in education or training, including assessment, which takes place as directed by – but, unlike Guided Learning, not under the Immediate Guidance or Supervision of – a*

lecturer, supervisor, tutor or other appropriate provider of education or training.

(Ofqual 15/5775 September 2015)

Guided Learning Hours (GLH) is defined as the hours that a teacher, lecturer or other member of staff is available to provide immediate teaching support or supervision to a student working towards a qualification.

Credit value is defined as being the number of credits that may be awarded to a Learner for the successful achievement of the learning outcomes of a unit. One credit is equal to 10 hours of TQT.

ENTRY REQUIREMENTS

For entry onto the OTHM Level 4 Diploma in Accounting and Business qualification, learners must possess:

- Relevant NQF/QCF/RQF Level 3 diploma or equivalent recognised qualification
- Learner must be 18 years or older at the beginning of the course
- Mature learners (over 21) with management experience (learners must check with the delivery centre regarding this experience prior to registering for the programme)
- **English requirements:** If a learner is not from a majority English-speaking country must provide evidence of English language competency. For more information visit [English Language Expectations](#) page.

PROGRESSION

Successful completion of the Level 4 Diploma in Accounting and Business qualification provides learners the opportunity for a wide range of academic progressions including progression to relevant OTHM Level 5 Diplomas, including the Level 5 Diploma in Accounting and Business qualification. The Level 4 Diploma in Accounting and Business has been developed with career progression and professional recognition in mind. As this qualification is approved and regulated by Ofqual (Office of the Qualifications and Examinations Regulation), learners are eligible to gain direct entry into Year 2 of a three-year UK Bachelor's degree programme. For more information visit [University Progressions](#) page.

DELIVERY OF OTHM QUALIFICATIONS

OTHM do not specify the mode of delivery for its qualifications, therefore OTHM Centres are free to deliver this qualification using any mode of delivery that meets the needs of their Learners. However, OTHM Centres should consider the Learners' complete learning experience when designing the delivery of programmes.

OTHM Centres must ensure that the chosen mode of delivery does not unlawfully or unfairly discriminate, whether directly or indirectly, and that equality of opportunity is promoted. Where it is reasonable and practicable to do so, it will take steps to address identified inequalities or barriers that may arise.

Guided Learning Hours (GLH) which are listed in each unit gives the Centres the number of hours of teacher-supervised or direct study time likely to be required to teach that unit.

ASSESSMENT AND VERIFICATION

All units within this qualification are internally assessed by the centre and externally verified by OTHM. The qualifications are criterion referenced, based on the achievement of all the specified learning outcomes.

To achieve a 'pass' for a unit, learners must provide evidence to demonstrate that they have fulfilled all the learning outcomes and meet the standards specified by all assessment criteria. Judgement that the learners have successfully fulfilled the assessment criteria is made by the Assessor.

The Assessor should provide an audit trail showing how the judgement of the learners' overall achievement has been arrived at.

RECOGNITION OF PRIOR LEARNING AND ACHIEVEMENT

Recognition of Prior Learning (RPL) is a method of assessment that considers whether learners can demonstrate that they can meet the assessment requirements for a unit through knowledge, understanding or skills they already possess and do not need to develop through a course of learning.

RPL policies and procedures have been developed over time, which has led to the use of a number of terms to describe the process. Among the most common are:

- Accreditation of Prior Learning (APL)
- Accreditation of Prior Experiential Learning (APEL)
- Accreditation of Prior Achievement (APA)
- Accreditation of Prior Learning and Achievement (APLA)

All evidence must be evaluated with reference to the stipulated learning outcomes and assessment criteria against the respective unit(s). The assessor must be satisfied that the evidence produced by the learner meets the assessment standard established by the learning outcome and its related assessment criteria at that particular level.

Most often RPL will be used for units. It is not acceptable to claim for an entire qualification through RPL. Where evidence is assessed to be only sufficient to cover one or more learning outcomes, or to partly meet the need of a learning outcome, then additional assessment methods should be used to generate sufficient evidence

to be able to award the learning outcome(s) for the whole unit. This may include a combination of units where applicable.

EQUALITY AND DIVERSITY

OTHM provides equality and diversity training to staff and consultants. This makes clear that staff and consultants must comply with the requirements of the Equality Act 2010, and all other related equality and diversity legislation, in relation to our qualifications.

We develop and revise our qualifications to avoid, where possible, any feature that might disadvantage learners because of their age, disability, gender, pregnancy or maternity, race, religion or belief, and sexual orientation.

If a specific qualification requires a feature that might disadvantage a particular group (e.g. a legal requirement regarding health and safety in the workplace), we will clarify this explicitly in the qualification specification.

UNIT SPECIFICATIONS

THE ACCOUNTANT'S ENVIRONMENT

Unit Reference Number	R/617/3292
Unit Title	The Accountant's Environment
Unit Level	4
Number of Credits	20
Total Qualification Time	200
Mandatory / Optional	Mandatory
SSAs	15.1 Accounting and finance
Unit Grading Structure	Pass

Unit Aims

The aim of this unit is to familiarise learners with the accountant's environment in relation to different organisation structures, environmental factors, professional ethics and regulation.

Learning Outcomes and Assessment Criteria

Learning Outcomes- The learner will:	Assessment Criteria- The learner can:
1. Understand different business organisational structures.	1.1 Compare the features of different business organisational structures. 1.2 Evaluate the advantages and disadvantages of different business organisational structures. 1.3 Outline the financial reporting requirements for different business organisational structures.
2. Understand the external environment in which a business operates.	2.1 Explain the key PESTLE factors that impact on businesses.
3. Understand professional ethical principles.	3.1 Explain key principles of ethical behaviour. 3.2 Assess the principles of confidentiality and data protection. 3.3 Explain the money laundering regulatory framework in the UK. 3.4 Evaluate the impact of a breach of ethics on accountants and business organisations.
4. Understand the role of regulatory accounting bodies.	4.1 Explain the role of regulatory bodies for accountancy in a specific country. 4.2 Assess the benefits and limitations to an organisation of using International Accounting Standards.

Indicative content

Learning Outcome 1

Organisational structures: sole trader, partnership, co-operative, limited company, public limited company, public sector, charity, social enterprise, franchise.

Features: ownership and control: purpose; structure; stakeholders and stakeholder interests (owners, customers, government agencies, suppliers, employees, debtors, creditors, financial institutions, trade unions, environmental groups); strategic responsibility; legal responsibilities in relation to structure and operations (company law, corporate governance, partnership contracts, liability, responsibility).

Advantages and disadvantages: relating to control, decision-making, financing, borrowing, liability, profit-sharing, taxation, legal status (e.g. veil of incorporation).

Financial reporting requirements: responsibilities for record-keeping and reporting.

Learning Outcome 2

PESTLE:

- Political (government policies, taxation, political stability, industry regulations, global trade agreements and restrictions);
- Economic (economic growth, economic decline, exchange rates, inflation, interest rates, consumer spending, labour costs);
- Social (culture, lifestyle, career and life expectations, consumer trends, fashions);
- Technological (new technologies, use of technology, impact of technology on industry and organisation);
- Legal (Changes in legislation and regulation e.g. health and safety, employment legislation, equality legislation, consumer legislation);
- Environmental (corporate social responsibility, consumer opinion, ethical trading, fair trade, organic, sustainability, responsibilities, legal requirements e.g. water use, waste and carbon emissions).

Learning Outcome 3

Key principles: practices accountants should comply with to ensure ethical standards of behaviour are met; corporate codes of ethics; importance of methodical approaches to resolving ethical problems; application of an ethical code; whistleblowing; principles-based approaches v rules-based approaches to ethics.

Confidentiality and data protection: importance of confidentiality; data protection legislation (purpose, requirements and impact on accountants); impact of breach of confidentiality (legal penalties, reputation).

Money laundering: definition of money laundering; purpose and operation of money laundering regulations; difficulties in monitoring and identifying; actions required.

Impact of breach of ethical principles: impact on accountants and businesses; legal implications; damage to reputation; implications for professional body membership.

Learning Outcome 4

Role of accounting Bodies: standard setting; reasons standards are required; domestic (own country) and international accounting standards; monitoring and enforcement.

International Accounting Standards:

For example:

- IAS 1 Presentation of financial statements
- IAS 2 Inventories
- IAS 7 Statement of cash flows
- IAS 8 Accounting policies, changes in accounting estimates and errors
- IAS 10 Events after the reporting period
- IAS 16 Property, plant and equipment
- IAS 18 Revenue
- IAS 36 Impairment of assets
- IAS 37 Provisions, contingent liabilities and contingent assets
- IAS 38 Intangible assets.

Benefits and limitations: Benefits (standardisation, comparability, supports globalisation and international financing and trade); Limitations (may differ from domestic requirements, onerous for small entities, supports increasing competition from foreign companies, investors).

Assessment

To achieve a 'pass' for this unit, learners must provide evidence to demonstrate that they have fulfilled all the learning outcomes and meet the standards specified by all assessment criteria.

Learning Outcomes to be met	Assessment criteria to be covered	Type of assessment	Summary of quantity/quality
LO1, LO2, LO3, LO4	All ACs under LO1, LO2, LO3 and LO4	Coursework	3000 words

Indicative Reading List

Atrill P & McLaney E (2007) *Accounting & Finance for Non-specialists*; 6th edition Financial Times/ Prentice Hall.

Drury, J.C. (2007) *Management and Cost Accounting*; 7th edition, Chapman and Hall.

QUANTITATIVE METHODS

Unit Reference Number	L/617/3291
Unit Title	Quantitative Methods
Unit Level	4
Number of Credits	20
Total Qualification Time	200
Mandatory / Optional	Mandatory
SSAs	15.1 Accounting and finance
Unit Grading Structure	Pass

Unit Aims

The aim of the unit is to develop learners' skills in using quantitative methods including representing information to inform decision making in an organisation, and using statistical methods to provide meaningful financial and accounting information, applying these skills to a real world case study.

Learning Outcomes and Assessment Criteria

Learning Outcomes- The learner will:	Assessment Criteria- The learner can:
1. Be able to use numerical techniques in accounting.	1.1 Use numerical techniques in accounting 1.2 Solve equations using numerical techniques, roots or logarithms. 1.3 Determine the equation of a straight line.
2. Be able to construct and use graphs, charts and diagrams for informed decision making.	2.1 Draw charts and diagrams derived from tabular accounting data. 2.2 Plot graphs, applying the general rules and principles of graphical construction. 2.3 Plot and interpret mathematical graphs of accounting data.
3. Be able to apply statistical methods to provide financial and accounting information.	3.1 Distinguish between different types of data. 3.2 Represent and interpret business data. 3.3 Determine and interpret summary statistics.

Indicative content

Learning Outcome 1

Numerical techniques: application of the rules of numeracy to whole numbers, fractions and decimals; comparing numbers; estimating; percentages; approximating data using rounding; significant figures; interpret, transpose and evaluate formulae; simple financial transactions involving purchases, wages, taxation, discounts; simple and compound interest; depreciation; foreign currency conversion

Equations: linear and simultaneous equations; quadratic equations; roots and powers; logarithms and exponential values.

Equation of a straight line: using two points to find equation of a straight line; using one point and gradient; determine equation.

Learning Outcome 2

Draw charts and diagrams: Methods of data presentation; charts and diagrams derived from tabular data.

Draw graphs: mathematical graphs; graphing quadratic, exponential and logarithmic equations; identifying dependent/independent variables.

Interpret graphs: interpretation of graphical data in business; identifying misrepresentations of graphical data; use graphical information to support decision making.

Learning Outcome 3

Different types of data: quantitative and qualitative data; discrete and continuous data; cumulative data.

Represent and interpret data: represent and interpret data using appropriate formats (histograms, cumulative frequency curves).

Determine and interpret statistics: measures of central tendency (e.g. mean, mode and median) and their correct selection and application; calculation of averages for different types of data/data sets; measures of dispersion; limitations of statistics; identifying misuse of statistics.

Assessment

To achieve a 'pass' for this unit, learners must provide evidence to demonstrate that they have fulfilled all the learning outcomes and meet the standards specified by all assessment criteria.

Learning Outcomes to be met	Assessment criteria to be covered	Type of assessment	Summary of quantity/quality
LO1, LO2, LO3	All ACs	Case study	2500

Indicative Reading List

Dewhurst, F. (2006). *Quantitative methods for Business and Management*; (2nd edition). McGraw-Hill Education

McGraw-Hill Morris, C., (2012). *Quantitative Approaches in Business Studies*. 8th Ed., Prentice Hall

FINANCIAL ACCOUNTING

Unit Reference Number	J/617/3290
Unit Title	Financial Accounting
Unit Level	4
Number of Credits	20
Total Qualification Time	200
Mandatory / Optional	Mandatory
SSAs	15.1 Accounting and finance
Unit Grading Structure	Pass

Unit Aims

The aim of this unit is for the learner to develop their skills in financial accounting, including value inventory, year-end adjustments, and final accounts, applying these to real world case studies.

Learning Outcomes and Assessment Criteria

Learning Outcomes- The learner will:	Assessment Criteria- The learner can:
1. Be able to value inventory.	1.1 Calculate closing inventory valuations using FIFO, LIFO and AVCO. 1.2 Evaluate different inventory valuation methods.
2. Be able to account for year-end adjustments.	2.1 Calculate year-end adjustments, from given data, to account for depreciation. 2.2 Calculate year-end adjustments, from given data, to account for irrecoverable debts and provisions for doubtful debts. 2.3 Calculate year-end adjustments, from given data, to account for accruals and prepayments.
3. Be able to prepare final accounts for sole traders and partnerships.	3.1 Explain the purpose of preparing final accounts for sole traders and partnerships. 3.2 Prepare final accounts, including relevant adjustments, for a specific sole trader business. 3.3 Prepare final accounts, including relevant adjustments, for a specific partnership business. 3.4 Analyse the financial statements of a specific business organisation.

Indicative content

Learning Outcome 1

Calculation inventory valuations: calculation of closing balances using first in, first out (FIFO), last in, first out (LIFO), average cost (AVCO) methods; use of the

perpetual and periodic methods; calculate the effect of different methods of inventory valuation on the income statement and statement of financial position.

Evaluation of different methods: characteristics and usefulness of FIFO, LIFO and AVCO; legal and tax implications of different methods of valuation. Different modes of communication; verbal; paralinguistics; non-verbal; sign language, Makaton and Braille; assisted communication, written communication, electronic communication.

Learning Outcome 2

For each area: prepare ledger account **and** complete calculations to account for year-end adjustment.

Depreciation: assets to be depreciated; straight line, reducing balance and revaluation methods; percentages applicable to different classes of assets.

Irrecoverable and doubtful debts: writing off irrecoverable debts; provision for doubtful debts based on aged trade receivables (debtors) schedule.

Accruals and prepayments: identifying items giving rise to prepayments and accruals e.g. utility bills, rents, wages, insurance, professional fees.

Learning Outcome 3

Purpose of preparing accounts: tax purposes; to ascertain profit; to secure external finance; to account to investors.

Account preparation (sole traders and partnerships): prepare Trading Account to calculate gross profit / loss to include:

1. Revenue / Sales
2. Sales returns
3. Purchase
4. Purchase returns
5. Carriage on purchases;
6. Opening and closing inventory
7. Adjustment for drawings of goods
8. Cost of sales
9. Gross profit;

Prepare Income Statement to calculate profit / loss for the year.

Prepare Statements of Financial Position

Incorporate year-end adjustments as in Learning Outcome 2.

For partnership accounts, allocation of profits as per partnership agreement.

Assessment

To achieve a 'pass' for this unit, learners must provide evidence to demonstrate that they have fulfilled all the learning outcomes and meet the standards specified by all assessment criteria.

Learning Outcomes to be met	Assessment criteria to be covered	Type of assessment	Summary of quantity/quality
LO1, LO2, LO3	All ACs under LO 1-3	Case study	3000

Indicative Reading List

Wood, F Sangster, A (2004) *Business Accounting*; Volume 2 (10th edition), FT Prentice Hall

Atrill P & McLaney E (2007) *Accounting & Finance for Non-specialists*; 6th edition. Financial Times/ Prentice Hall.

Drury, J. C. (2007) *Management and Cost Accounting*; 7th edition, Chapman and Hall.

MANAGEMENT ACCOUNTING

Unit Reference Number	R/617/3289
Unit Title	Management Accounting
Unit Level	4
Number of Credits	20
Total Qualification Time	200
Mandatory / Optional	Mandatory
SSAs	15.1 Accounting and finance
Unit Grading Structure	Pass

Unit Aims

The aim of the unit is for learners to develop their skills in management accounting, including preparation of budgets, costing, capital expenditure appraisal, and to apply these skills to a real world case or case study.

Learning Outcomes and Assessment Criteria

Learning Outcomes- The learner will:	Assessment Criteria- The learner can:
1. Be able to prepare organisational budgets.	1.1 Explain the purpose of budgeting as a management tool. 1.2 Prepare organisational budgets from given data. 1.3 Analyse budgets to assess organisational performance.
2. Be able to use standard costing techniques.	2.1 Explain the purpose of standard costing. 2.2 Outline ideal and attainable standards. 2.3 Calculate variances. 2.4 Interpret variances. 2.5 Evaluate the advantages and limitations of a standard costing system.
3. Be able to use capital expenditure appraisal techniques.	3.1 Explain capital expenditure appraisal techniques. 3.2 Calculate payback, Accounting Rate of Return (ARR), Net Present Value (NPV) and Internal Rate of Return (IRR). 3.3 Evaluate capital expenditure proposals from given data. 3.4 Assess the importance of non-financial factors when appraising financial decisions.
4. Understand costing techniques.	4.1 Differentiate between marginal and absorption (total) costing. 4.2 Explain job, batch and process costing methods. 4.3 Explain how service costing techniques are used. 4.4 Explain how a business organisation may use cost – volume – profit analysis. 4.5 Calculate break-even point using formula.

Indicative content

Learning Outcome 1

Purpose of budgeting: forecast of income and expenditure; tool for monitoring business performance; tool for decision-making.

Preparation of different types of budget:

1. Sales
2. Production
3. Purchases
4. Trade Receivables (debtors)
5. Trade Payables (creditors)
6. Cash (cash flow forecast)
7. Master

Budget analysis: Interpretation of budget results including the interpretation of favourable and adverse variances.

Learning Outcome 2

Purpose of standard costing

Types of standards: ideal and attainable.

Calculation and analysis of variances: calculation of variances; analysis and interpretation of favourable and adverse variances; investigation of variances; reconciliation statements (budgeted and actual profit; budgeted and actual costs; budgeted and actual sales).

Variances:

1. material variances (price and usage);
2. labour variances (rate and efficiency);
3. sales margin variances (volume and price);
4. total fixed overhead variance; and
5. total variable overhead variance;

Advantages and limitations: Advantages (e.g. better cost control, information for control and decision making, easier inventory measurement, easier record keeping); Limitations (e.g. determining variances may be more difficult; exceptions may not be reported; management by exception can lower employee morale).

Learning Outcome 3

Capital appraisal techniques: purpose; definition of different techniques; advantages and disadvantages of different capital investment appraisal methods.

Calculation: calculate of payback, accounting rate of return (ARR), net present value (NPV), internal rate of return (IRR).

Evaluate proposals: analyse capital investment appraisal results; use capital investment appraisal techniques to make informed decisions; justify decisions made and techniques used.

Non-financial factors: qualitative factors affecting investment decisions, for example, staff, legislation, etc.

Learning Outcome 4

Different costing methods and techniques: describe methods; purposes and use of different costing methods; calculations for different costing methods.

Methods to include:

1. Marginal Costing
2. Absorption (Total) Costing
3. Job Costing
4. Batch Costing
5. Process Costing

Cost, volume, profit analysis (break-even): use of break-even (to determine number of units sold to avoid losses; to determine relationship between costs, revenues and profits at different levels of output); calculation (identify variable and fixed costs, identify selling price, use of formula to calculate break-even).

Assessment

To achieve a 'pass' for this unit, learners must provide evidence to demonstrate that they have fulfilled all the learning outcomes and meet the standards specified by all assessment criteria.

Learning Outcomes to be met	Assessment criteria to be covered	Type of assessment	Summary of quantity/quality
LO1, LO2, LO3, LO4	All ACs under LO 1-4	Case study	3000

Indicative Reading List

Drury, JC. (2007) *Management and Cost Accounting*; 7th edition, Chapman and Hall.

Izhar, R. Hontoir, J. *Accounting, Costing and Management*; 2nd rev. edition. Oxford University Press

Randall, H. (2005) *AS and A Level Accounting*, Cambridge University Press

MANAGEMENT CONCEPTS AND PRACTICE

Unit Reference Number	L/617/3288
Unit Title	Management Concepts and Practice
Unit Level	4
Number of Credits	20
Total Qualification Time	200
Mandatory / Optional	Mandatory
SSAs	15.1 Accounting and Finance
Unit Grading Structure	Pass

Unit Aims

The aims of the unit are to provide learners with a thorough grounding in theories of leadership and management, and specifically the dynamics of motivation and team work as applied to teams and organisations.

Learning Outcomes and Assessment Criteria

Learning Outcomes- The learner will:	Assessment Criteria- The learner can:
1. Understand theories of leadership and management.	1.1 Differentiate between leadership and management. 1.2 Explain concepts of management and leadership. 1.3 Compare leadership styles for different management roles.
2. Understand motivation in theory and practice.	2.1 Explain key motivational theories and reward systems. 2.2 Analyse the effectiveness of reward systems in different organisations. 2.3 Evaluate employee engagement and performance management in a specific business organisation.
3. Understand team working in organisations.	3.1 Explain key team working theories. 3.2 Assess the effectiveness of team-working to achieve organisational objectives. 3.3 Evaluate approaches to resolving conflict within a team.

Indicative content

Learning Outcome 1

Difference between leadership and management: leaders inspirational, not necessarily managers, challenge the status quo; managers manage employees,

motivate and monitor employees and manage operational tasks and activities; individuals can be leaders and managers.

Concepts of leadership and management:

1. Trait theories
2. Process theories
3. Contingency models
4. Task vs relationship
5. Integrated leader-manager,
6. Classical management theories
7. Human relations theories
8. Neo human relations theories
9. System theories

Leadership styles:

1. Transformational leadership
2. Transactional leadership
3. Servant leadership
4. Autocratic leadership
5. Laissez-faire leadership
6. Democratic leadership
7. Bureaucratic leadership
8. Charismatic leadership
9. Situational leadership

Learning Outcome 2

Theories of motivation: F Taylor, E Mayo, A Maslow, F Herzberg, D McGregor, D McClelland, V Vroom.

Reward systems: job evaluation; factors determining pay; performance-related pay; pension schemes; profit sharing; employee share options.

Effectiveness of reward systems: relationship between motivation theories and reward; impact of organisational culture and structure on success of reward systems.

Employee engagement: employee involvement techniques; membership of work groups board, works councils, quality circles, intra-organisational groups (transnational, national, site specific); devolved authority and responsibility; open communications.

Learning Outcome 3

Team working theories: Tuckman stages of team development; Belbin team roles.

Assessing effectiveness: look at leadership, working relations, communication, adaptability, diversity.

Conflict resolution: cause of conflicts (e.g. different working styles, personal differences, resource conflicts etc.); steps to resolution (define problem, gather

information and determine root cause, identify potential solutions, evaluate solutions, select and implement best option); strategies (avoiding, accommodating, collaborating, compromising, competing).

Assessment

To achieve a 'pass' for this unit, learners must provide evidence to demonstrate that they have fulfilled all the learning outcomes and meet the standards specified by all assessment criteria.

Learning Outcomes to be met	Assessment criteria to be covered	Type of assessment	Summary of quantity/quality
1 - 3	All ACs under LO 1-3	Coursework	2500 words

Indicative Reading List

Avery, G. (2004) *Understanding Leadership*. London: Sage

Bratton, J., Grint, K. and Nelson, D. L. (2005) *Organizational Leadership*. New York: Thomson South Western.

Brooks, I. (2009) *Organisational Behaviour: Individuals, Groups, and Organisations*. Harlow: FT Prentice Hall.

Gill, R. (2006) *Theory and Practice of Leadership*. London: Sage.

Gold. J., Thorpe, R. and Mumford, A. (2010) *Leadership and Management Development*. 5 th Edition. CIPD

Mabey, C. and Finch-Lees, T. (2008) *Management and Leadership Development*. London: Sage.

Storey, J. (2004) *Leadership in Organisations; Current Issues and Key Trends*. London: Rutledge. Times/Prentice Hall.

BUSINESS ECONOMICS

Unit Reference Number	J/617/3287
Unit Title	Business Economics
Unit Level	4
Number of Credits	20
Total Qualification Time	200
Mandatory / Optional	Mandatory
SSAs	15.1 Accounting and finance
Unit Grading Structure	Pass

Unit Aims

The aim of the unit is for learners to understand the macro- and micro-economic factors that impact on businesses and the international environment as a whole.

Learning Outcomes and Assessment Criteria

Learning Outcomes- The learner will:	Assessment Criteria- The learner can:
1. Understand how macro-economic factors impact upon business organisations.	1.1 Describe key macro-economic factors. 1.2 Analyse the importance of the macro-economic environment to a specific business organisation. 1.3 Assess the impact of changes in the macro-economic environment on a specific business organisation.
2. Understand how micro-economics factors impact upon business organisations.	2.1 Describe key micro-economic factors. 2.2 Analyse the importance of the micro-economic environment to a specific business organisation. 2.3 Assess the impact of changes in the macro-economic environment on a specific business organisation.
3. Understand how macro-economics and micro-economics apply to the international business environment.	3.1 Explain the importance of the macro-economic and micro-economic environment in an international business context. 3.2 Evaluate the impact of changes in the macro-economic and micro-economic environment in an international business context.

Indicative content

Learning Outcome 1

Key factors and importance of and impact on business: markets (perfect competition, monopoly, monopolistic competition, oligopoly); competitive advantage (strategies adopted by firms, regulation of competition, supply and demand, elasticity

of demand and supply, customer perceptions and actions, pricing); concepts (monetary and fiscal policies, market structure, competition policies).

Learning Outcome 2

Micro-economic factors and importance to and impact on businesses: cost and output decisions; economies and diseconomies of scale; short and long run; multi-national and transnational corporations; joint ventures; outsourcing; core markets; Labour (employee skills, markets); technology; innovation; research and development; core competencies; business environment (political, economic, social, technical, legal, environmental); cultural environment.

Learning Outcome 3

Importance of and impact of economic factors in international environment: allocation of scarce resources; government borrowing; inflation; resources; balance of payments; taxation; type of economic system; availability of labour; balance of trade; exchange rates; trading partners; public finances; business behaviour; economic goals; control of aggregate demand; central and local government spending; international business environment (political, economic, ethical, social, technical, legal, environmental); protectionism; market opportunities; global growth; World Trade Organisation (WTO); emerging markets (BRICS economies – Brazil, Russia, India, China, South Africa); EU membership; EU business regulations and their incorporation in to UK law; EU policies; Customs unions and trading blocs – NAFTA, EU etc.

Assessment

To achieve a ‘pass’ for this unit, learners must provide evidence to demonstrate that they have fulfilled all the learning outcomes and meet the standards specified by all assessment criteria.

Learning Outcomes to be met	Assessment criteria to be covered	Type of assessment	Summary of quantity/quality
1 - 4	All under LO 1-4	Coursework	3000

Indicative Reading List

Sloman, J. and Hinde, K. (2007). *Economics for Business*; 4th edition, Harlow: Pearson Education

Wetherly, P. and Otter, D. (2008). *The Business Environment*, Oxford: Oxford University Press

IMPORTANT NOTE

Whilst we make every effort to keep the information contained in programme specification up to date, some changes to procedures, regulations, fees matter, timetables, etc may occur during the course of your studies. You should, therefore, recognise that this document serves only as a useful guide to your learning experience. For updated information please visit our website www.othm.org.uk.

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