

Level 7, Unit 2, Corporate Strategy, Governance and Ethics in the Global Environment (25 credits)

Assessor's guide to interpreting the criteria

RQF general description for Level 7 qualifications

- Achievement at Level 7 requires a learner to command and display mastery of the complex and specialised area of business studies, demonstrate expertise in highly specialised and advanced technical, professional, and research skills.
- Learners at this level are expected to be able to conduct professional activity, including research, using and modifying advanced skills and tools, and designing appropriate research methodologies. They would be expected to effectively communicate results of such research to peers.
- Learners should be able to develop new skills to a high level, including novel and emerging techniques, and act in a wide variety of unpredictable and advanced professional contexts.
- The level of accountability at Level 7 expects the learner to accept full responsibility for relevant decision-making, including supervision and a significant degree of responsibility for other people's work, initiating activity and taking the lead.

EQF general description for Level 7 qualifications (RQF Level 7 is mapped to EQF Level 7)

- Achievement at EQF Level 7 reflects the ability to build, use and transfer highly specialised knowledge, some of which is at the forefront of knowledge in the field of business, as the basis for original thinking and/or research. The learner must also demonstrate critical awareness of knowledge issues in the field of business and at the interface between it and other fields.
- This level commands specialised problem-solving skills required in research and innovation in order to develop new knowledge and procedures and to integrate knowledge from different fields.
- A learner at this level is expected to manage and transform work and study contexts that are complex, unpredictable and require new strategic approaches.
- The levels commands that learners take responsibility for contributing to professional knowledge and practice, and for reviewing the strategic performance of teams.

General requirements

- Conformance of individual student's performance to unit criteria and standards must be confirmed by a trained assessor.
- Centres, in collaboration with the assessors, must ensure that there is system in

place allowing collection and storage of routine evidence of students' work (e-portfolios). E-portfolios should be in a format allowing online access, on request, by a TLM account manager.

- When the assessor is satisfied with a candidate matching all the criteria to the specification subject to the guidance below, the Centre can request a review of the e-portfolio by an account manager.
- If the account manager confirms the assessor's judgements, the student will get 30 marks towards his/her final mark, and be allowed to sit a final examination.
- When the student passes the final examination (see below Method of assessment), the student is considered to have completed all the requirements for the qualification.

Expansion of the assessment criteria

1 The learner will be able to develop an international business organisation based on analysis of the business environment.

1.1 The learner can assess the relative importance of environmental search for organisations with an international perspective.

1.2 The learner can describe the benefits, challenges and risks of operating in an international environment.

Candidates must describe the potential benefits, challenges and risks, associated with international business operations.

Evidence: Evidence from assessor's observations and documented work.

Additional information and guidance:

Learners' answers should be comprehensive, well structured, of sufficient depth, and go beyond the trivial enumeration of factors, discussing opportunities and risks arising from international operations in highly unpredictable and advanced contexts, in line with the level descriptors at QFC/EQF Level 7. This criterion is a good cross-disciplinary example and could be assessed in a bundle with criterion 3.5 of Unit 4: Management of Financial Resources and Performance.

1.3 The learner can carry out a case study of an international organisation focused on the organisation and management structure and its relationship with the business environment.

Candidates must demonstrate their knowledge and their analytical, research, abstraction, and transferable skills, by applying them on a case study set in the international business environment and focused on the organisational and management structures.

Evidence: Evidence from assessor's observations and documented work.

Additional information and guidance:

Assessors should prepare an appropriate case study which focuses on the elements set by the criterion - organisational structure and management structure. This should not be a thorough and comprehensive (all-encompassing) case study, as it will shift the focal point of assessment.

2 The learner will understand the dynamics between an organisation's resources, products, services and its environment.

2.1 The learner can undertake an audit of an organisation's tangible and intangible resources to assess congruence with organisational goals.

Candidates should demonstrate that they are able to perform an audit of resources and relate it to organisational goals.

Evidence: Evidence from assessor's observations and documented work.

Additional information and guidance:

Learners are expected to follow, and be able to explain, the steps in the asset audit procedure, e.g. account balance accuracy, account transaction validation, asset valuation and asset classification tests. They should also audit other types of resources, such as human resources and intellectual capital. Learners should distinguish between threshold resources and unique resources. They must be able to provide their informed opinion and advice as to whether organisation's resources are adequate to organisation's goals, by matching threshold resources and unique resources to threshold competences and core competences.

2.2 The learner can critically assess the effectiveness of growth strategies in relation to environmental change.

Candidates must analyse and critically assess how effective growth strategies may be in light of environmental changes.

Evidence: Evidence from assessor's observations and documented work.

Additional information and guidance:

Answers should include appropriate examples which are beyond trivial and demonstrate capacity to extend knowledge to highly dynamic and unpredictable contexts, in line with the current QCF/EQF level descriptors.

2.3 The learner can critically evaluate an organisation's products/services in relation to changes in the global environment.

Candidates must be able to evaluate the performance of the products/services of a given organisation in response to, and in the context of, changing global environment.

Evidence: Evidence from assessor's observations and documented work.

3 The learner will be able to evaluate business ethics and their impact in the wider society from a global perspective.

In this set of criteria, candidates must explain the nature, role and place of business ethics in organisational conduct and in a global environment, and the ways in which it influences society.

Evidence: Evidence from assessor's observations and documented work.

3.1 The learner can identify potential conflicts of interest between business profitability and social responsibility.

Explaining the concept of social responsibility, candidates must identify and elaborate on the potential conflicts of interest between immediate and intrinsic business interests on one side, and the corporate social responsibility, on the other.

Evidence: Evidence from assessor's observations and documented work.

3.2 The learner can critically assess the impact of creating a business ethics institutional framework on business practice.

Candidates must adopt a critical approach in assessing -- and explaining -- how the establishment of a corporate ethics framework within an organisation may influence its business practices.

Evidence: Evidence from assessor's observations and documented work.

3.3 The learner can explain the moral and ethical questions facing organisations in different cultures and systems.

Candidates must identify and explain the type and nature of moral and ethical issues facing organisations operating in countries and territories with different cultural background and socio-economic systems.

3.4 The learner can analyse the tensions between ethical management, profitability, obligations to shareholders and responsibility in the community.

Candidates must critically discuss the tensions and conflicts of interest between ethical management, profitability, obligations to shareholders, and social responsibility.

Evidence: Evidence from assessor's observations and documented work.

Additional information and guidance:

Learners should attempt to describe when and how such tensions and conflicts arise, and what are their specific properties. Answers should be illustrated by appropriate examples. Learners should be encouraged to extend their answers and suggest strategic approaches in reducing tensions and resolving conflicts of interest.

3.5 The learner can explain how conceptual frameworks fundamental to the implicit contract between business and society have changed over time.

Candidates must present a retrospective analysis of the evolution of the conceptual frameworks in the area of business-society relationship.

Evidence: Evidence from assessor's observations and documented work.

Additional information and guidance:

Learners should place their answers on a timeline and pay particular attention to sectoral examples (e.g. ethical codes of conduct) and global frameworks (e.g. UN Global Compact).

3.6 The learner can analyse policy on social and environmental responsibility presented by international organisations for political bias.

4 The learner will understand the concepts and perspectives of Corporate Governance in an international organisation.

4.1 The learner can identify conflicting perspectives on corporate governance of international organisations.

Candidates must explain the pros and cons of corporate governance in terms of structure, rules and procedures, decision-making, control.

Evidence: Evidence from assessor's observations and documented work.

Additional information and guidance:

Learners would be expected to adopt a critical approach and pay specific attention to the different corporate governance models and the regulation behind them.

4.2 The learner can explain how sound practice in corporate governance contributes to the organisational goals of an international company.

Candidates must identify and explain good corporate governance practices in an international context and relate them to achieving organisational goals.

Evidence: Evidence from assessor's observations and documented work.

Additional information and guidance:

Answers should revolve around, without being limited to, the key principles of good corporate governance, i.e. independence of directors, separation of strategic planning and management of operations, exit strategies, reliability of systems and procedures, credibility of accounts, HR policies, and performance indicators.

4.3 The learner can compare the effectiveness of different global models of corporate governance from more than one perspective.

Candidates should make a comparison of different corporate governance models and critically

evaluate their effectiveness.

Evidence: Evidence from assessor's observations and documented work.

Additional information and guidance:

In line with the general level descriptors for QCF/EQF Level 7, learners must extend their answers beyond textbooks and demonstrate innovative approaches (e.g. in selecting the perspectives used in the comparative analysis). This criterion is much related to criteria 4.1 and 4.2 of the same unit, and assessors might want to combine the three in a single task/assignment.

4.4 The learner can critically assess the institutional elements of corporate governance.

Candidates must critically assess the institutional elements of a corporate governance framework in a given organisation.

Evidence: Evidence from assessor's observations and documented work.

Additional information and guidance:

Learners should focus on the corporate management structure and their related levels and areas of responsibility within that structure. They should explore how structure affects company operations. Assessors should choose whether to present the candidates with a pre-prepared case study, or allow them to hypothesise.

5 The learner will understand how organisations manage corporate governance and ethics so as to achieve corporate goals.

5.1 The learner can describe the impact of corporate governance and ethics policies on organisational strategy, business operations and costs.

Candidates must describe how corporate governance and organisational policies on ethics affect organisational strategy, company operations and costs.

Evidence: Evidence from assessor's observations and documented work.

5.2 The learner can explain the impact of corporate governance on the internal controls of an organisation in a global context.

Candidates must explain the effects of corporate governance on the organisation's control function.

Evidence: Evidence from assessor's observations and documented work.

5.3 The learner can devise management strategies that comply with corporate governance and achieve sustainable levels of profitability.

Candidates must devise and explain in a concise manner management strategies that comply with the good corporate governance principles and are aimed at sustaining company's profitability.

Evidence: Evidence from assessor's observations and documented work.

6 The learner will be able to effectively implement and monitor ethical and governance issues in developing an appropriate corporate strategy.

6.1 The learner can outline a framework for corporate governance that includes key ethical considerations.

Candidates must devise and explain in a concise manner a corporate governance framework with particular focus on ethical issues.

Evidence: Evidence from assessor's observations and documented work.

Additional information and guidance:

Learners should be allowed much freedom in selecting which elements to include in the outlined framework and in describing their interconnectedness. They should demonstrate awareness of the multitude of ethical issues arising in both national and international contexts. Assessment should focus on structure, comprehensiveness, quality of arguments, factual correctness (in explaining the various elements) and correctness of interpretation. Appropriate examples will be only of benefit to learner's answers.

6.2 The learner can describe practical organisational arrangements for supervising governance, ethical, environmental and social issues.

Candidates must describe and explain a range of organisational arrangements (structure, rules, procedures, processes) for supervising governance, ethical, environmental and social issues.

Evidence: Evidence from assessor's observations and documented work.

6.3 The learner can analyse a corporate governance policy and identify specific strengths and weaknesses in relation to corporate strategy.

Candidates must be able to find their ways around in a well-known company's corporate governance policy document and critically analyse its specific contribution, strengths, and weaknesses in relation to the overall corporate strategy.

Evidence: Evidence from assessor's observations and documented work.

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