Pearson
LCCI Level 4 Certificate in Organisational Behaviour and Performance (VRQ)
(ASE20103)

L4

SPECIFICATION

Issue 2

First teaching from September 2015

ALWAYS LEARNING

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Edexcel, BTEC and LCCI qualifications

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About Pearson

Pearson is the world's leading learning company, with 40,000 employees in more than 70 countries working to help people of all ages to make measurable progress in their lives through learning. We put the learner at the centre of everything we do, because wherever learning flourishes, so do people. Find out more about how we can help you and your learners at qualifications.pearson.com

This specification is Issue 2. Key changes are sidelined in the document. We will inform centres of any changes to this issue. The latest issue can be found on our website, qualifications.pearson.com

References to third party material made in this specification are made in good faith. Pearson does not endorse, approve or accept responsibility for the content of materials, which may be subject to change, or any opinions expressed therein. (Material may include textbooks, journals, magazines and other publications and websites.)

All information in this specification is correct at time of publication.

Introduction

LCCI qualifications

LCCI qualifications are widely regarded by employers as preparing learners to carry out the key functions of modern international business. The qualifications are recognised worldwide by employers, universities and professional bodies such as the Association of Chartered Certified Accountants (ACCA).

This new and engaging range of qualifications has been developed in collaboration with professional bodies, employers and customers. We have conducted in-depth, independent consultation to ensure that the qualifications develop the breadth and depth of knowledge, skills and understanding that students need to be effective employees, and that the qualifications support progression pathways.

LCCI offers a wider range of qualifications; they are available at levels 1 to 4 across the following subject areas:

- English Language
- Marketing and Customer Service
- Business, Administration and IT
- Financial and Quantitative.

This specification is part of the Financial and Quantitative suite of LCCI qualifications.

Please refer to the Pearson website for details of other qualification in the suite.

Purpose of the specification

This specification sets out:

- the objectives of the qualification
- any other qualification(s) that a student must have completed before taking the qualification
- any prior knowledge and skills that the student is required to have before taking the qualification
- any other requirements that a student must have satisfied before they will be assessed or before the qualification will be awarded
- the knowledge, understanding and skills that will be assessed as part of the qualification
- the method of assessment and any associated requirements relating to it
- the criteria against which a student's level of attainment will be measured (such as assessment criteria).

Rationale

The Pearson LCCI Level 4 Certificate in Organisational Behaviour and Performance (VRQ) meets the following purpose:

The purpose of this qualification is for learners to meet professional body standards for this sector and in particular, to provide learners with progression and recognition/exemption from ACCA. The qualification at Level 4 will provide progression for learners completing LCCI Level 3 qualifications. The qualification is also appropriate for learners in a supervisory or management role, or aspiring to such roles, in which they may have influence over organisational behaviour and performance. Review of qualification requirements at this level includes content on the internal and external business environment, managing people, compliance and control and governance and ethics. This qualification will address these key aspects in the context of the functional areas of a business and the wider external environment within which it operates.

Qualification aim

The Pearson LCCI Level 4 Certificate in Organisational Behaviour and Performance (VRQ) is for learners who work in, or who want to work in, an area that contributes to those aspects of the decision-making process that influence an organisation's behaviour and improve its performance. The qualification will enable learners to understand how changes in both the internal and external environment impact on an organisation and how different management practices can help shape its response to these changes. The qualification will also enable learners to understand how motivation, leadership and team working influence an organisation's performance. The qualification looks at the importance of professional ethics and its relationship to managing risk. This qualification is particularly suitable for people who hold management positions or those who aspire to become managers. The qualification is relevant to learners across different functional areas of an organisation in whichever sector it operates, including finance, HR and other business operations.

The qualification is trusted and valued by employers worldwide and recognised by universities and professional bodies. Learners can progress from this qualification by working towards higher professional qualifications and to membership of professional bodies – increasing their employability in their chosen sector. Learners could choose to continue their academic development by progressing to degree courses in various disciplines.

Contents

Specification at a glance

The Pearson LCCI Level 4 Certificate in Organisational Behaviour and Performance (VRQ) consists of one externally examined paper.

Title: Pearson LCCI Level 4 Certificate in Organisational Behaviour and Performance (VRQ)	
Externally assessed	**100% of the total qualification**
Overview of content Key content areas include: • The Internal and External Organisational Environment • Managing People and Organisational Performance • Organisational Compliance and Control • Ethics, Corporate Governance and Risk Management	
Overview of assessment • One externally set and marked written paper, contributing 100% of the overall grade of the qualification • The examination will be 2 hours • The examination will consist of 100 marks • Students will be graded Pass/Merit/Distinction. A result of Fail will be recorded where students do not achieve the required marks for a Pass • The paper comprises four questions, broken down into parts • Students answer all questions from all sections • Questions 1, 2, 3 and 4 contain short- and extended-open response questions	

Knowledge, skills and understanding

Content

The following content must be covered to prepare students for the final assessment of this qualification.

1   The Internal and External Organisational Environment

Subject content	What students need to learn:
1.1 The nature of the business environment	a) main features of competitive market economy
	b) factors of production
	c) how prices are determined in a competitive market
	d) the impact on equilibrium price of changes in conditions of demand and supply
	e) concept of opportunity cost
1.2 The nature of business activity in the public and private sectors	a) characteristics of organisations: • vision • mission • values • strategic goals • strategies to achieve the goals • systems and processes
	b) different types of organisations in private and public sectors: • sole traders • partnerships • limited companies • not-for-profit organisations
	c) functional, matrix, divisional, entrepreneurial and boundary-less organisational structures
	d) the management hierarchy and the scalar chain of command, including the Anthony Hierarchy
	e) concepts of authority, power, responsibility, delegation and accountability
	f) advantages and disadvantages of centralisation and decentralisation
	g) the ways in which governments seek to protect the interests of citizens

Subject content		What students need to learn:
1.3	**The role of Government in promoting and controlling business activity**	a) the components of aggregate demand and the circular flow of income
		b) changes in aggregate demand and the impact on equilibrium income, employment level and the price level
		c) government influence on the level of economic activity: • economic growth • employment opportunities • price level • international trade • public sector deficits
		d) the possible consequences of government economic policies on individuals, specific sectors (retail, manufacturing and service) and business organisations
1.4	**How the interests of the stakeholder groups influence organisation activity**	a) the stakeholder theory concept (Mendelow's matrix) and its application in formulating a stakeholder engagement strategy
		b) why organisations need to be accountable to stakeholders
		c) how the needs and interests of stakeholder groups influence the development of business strategies
		d) competing interests of stakeholder groups
		e) the concept of corporate social responsibility
		f) the influence of corporate social responsibility on stakeholder engagement strategy
1.5	**How changes in the business environment impact on organisations**	a) the use of STEEPLE/PEST, SWOT and competitor analysis techniques to analyse the business environment
		b) Porter's Five Forces Analysis and the development of business strategies

2   Managing People and Organisational Performance

Subject content	What students need to learn:
2.1 Functions of management	a) planning, organising, co-ordinating, directing and controlling
	b) how functions of management are applied in the main functional areas: • human resources • finance • sales • marketing • production • administration • research and development • information technology • customer service
	c) contribution of the functions of management to organisational performance
2.2 The nature of business performance measurement and its importance	a) reasons for, and importance of, measuring organisational performance
	b) key performance indicators (KPIs) relating to an organisation's revenue and expenditure and the performance of its main functional areas
	c) the target-setting process
2.3 The importance and benefits of effective workforce planning, recruitment and selection on organisational performance	a) need for a Human Resources strategy in organisations
	b) stages in the recruitment process: • business case for recruitment • job description • person specification • advertise the post • shortlist • references • interview and selection • job offer
	c) different recruitment and selection methods
	d) the influence of financial and non-financial factors which may influence the quality and quantity of recruitment

Subject content	What students need to learn:
2.4 Different approaches to leadership and management and their impact on organisational performance	a) differences between leadership and management
	b) principles of scientific management theories: • Fayol • Taylor • Weber
	c) principles of human relations management theories: • Mayo • Drucker
	d) Mintzberg's Managerial Roles
	e) how different approaches to management are applied: • contingency (Fiedler) • action-centred leadership (Adair) • change management (Kotter)
2.5 Application of theories of motivation within the workplace	a) how main theories of motivation are applied: • Maslow • Herzberg • McGregor • Vroom
2.6 Importance of leadership	a) leadership theories and their influence: • Lewin • trait theories • Blake Mouton • Ashridge
	b) how management theorists have influenced the role of management practices in relation to teams: • Belbin • Tuckman

Subject content	What students need to learn:
2.7 The importance of developing individuals to improve overall organisational performance	a) differences between coaching, mentoring and counselling
	b) the implications of investing in training and development for the individual and the organisation
	c) the purpose of the training and development process
	d) the responsibilities of the individual and the organisation in identifying and addressing training needs and different learning styles • Honey and Mumford • Kolb
	e) the contribution of performance reviews to improving individual and organisation performance
	f) the performance indicators which can be used to assess the effectiveness of an organisation's Human Resources strategy
2.8 How effective communications can contribute towards improvements in personal and organisational effectiveness	a) the importance of communication in an organisation
	b) the stages in the communication process: • formulate the idea • concept or instruction • encoding • medium • transmission • receiving • decoding • feedback
	c) barriers to effective communication and strategies to overcome them
	d) how communication strategies can impact on individual and team effectiveness and reduce work place conflict
	e) the impact of information technology on team communication, personal effectiveness and time management

3 Organisational Compliance and Control

Subject content	What students need to learn:
3.1 The importance of management information	a) differences between data and management information
	b) the characteristics of useful information
3.2 The role of management information in an organisation	a) financial and non-financial management information
	b) differences between planning, monitoring, controlling and forecasting in relation to financial information
	c) differences between financial and management accounting, and their uses
	d) how the management accounting function promotes efficiencies in business operations and practices
3.3 The nature and purpose of audit	a) differences between the purpose of internal and external audit
	b) the legal obligations of a business in terms of retaining and submitting audited financial records
	c) how internal audit can improve controls and reduce business risks relating to business systems and procedures
3.4 The role of technology in supporting organisational functions	a) how technology contributes to the efficient operation of organisational practices
	b) the contribution of technology to the generation, presentation, analysis and communication of management information
	c) the nature and scope of security risks within a computer network
	d) how security risks within a computer network can be addressed

4   Ethics, Corporate Governance and Risk Management

Subject content	What students need to learn:
4.1 The importance of ethical behaviour in organisations	a) the concepts of: • business ethics • public interest • corporate culture
4.2 How codes of ethics promote ethical behaviour	a) the principles upon which a professional code of ethical behaviour is based: • integrity • objectivity • confidentiality • professional competence • professional behaviour
	b) how organisational practices and culture can influence the promotion of positive corporate values
	c) the importance of national and international bodies in supporting and promoting ethical behaviour
	d) the consequences of unethical behaviour
	e) the safeguards addressing ethical issues
4.3 The role of corporate governance within an organisation	a) the concept of corporate governance
	b) the roles and responsibilities of executive and non-executive directors
	c) the roles, types and organisation of committees in an organisation
	d) the responsibilities of governance
	e) best practice approaches to effective corporate governance
4.4 Risk management in organisations	a) the different types of risks: • financial • compliance • legal • reputational
	b) different risk management strategies: • retain • minimise • transfer • control
	c) the importance of risk management planning

The following skills should be developed throughout the course of study.

Skills	Students should:
	a) understand, analyse and evaluate changes in the business environment and the impact on organisations
	b) understand and apply models to improve performance of an organisation in relation to management, leadership, motivation and development
	c) understand, analyse and evaluate organisational compliance and control systems, ethics, corporate governance and business risks
	d) understand management theories and apply them to different organisational contexts
	e) interpret data and information and provide appropriate recommendations in an organisational context
	f) understand and apply business models to different organisational contexts.

Assessment

Assessment summary

<table>
<tr><td colspan="1">Pearson LCCI Level 4 Certificate in Organisational Behaviour and Performance (VRQ)</td></tr>
<tr><td>First teaching: September 2015
Number of series: 4</td></tr>
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Overview of content

Key content areas include:

- The Internal and External Organisational Environment
- Managing People and Organisational Performance
- Organisational Compliance and Control
- Ethics, Corporate Governance and Risk Management.

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Overview of assessment

- One externally set and marked written paper, contributing 100% of the overall grade of the qualification
- The examination will be 2 hours
- The examination will consist of 100 marks
- Students will be graded Pass/Merit/Distinction. A result of Fail will be recorded where students do not achieve the required marks for a Pass
- The paper comprises four questions, broken down into parts
- Students answer all questions
- Questions 1, 2, 3 and 4 contain short- and extended-open response questions
- Calculators may be used in the exam
- Bilingual dictionaries are permitted for use in the exam

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Assessment Objectives

Assessment objectives have been developed for this qualification to ensure that examinations are appropriately targeted. They describe the abilities that students should be able to demonstrate. Each question targets one or more assessment objectives. They are applied to the examination in the proportions below.

	Students must:	% of qualification
AO1	**Memorise** Recall facts and theories; recall terms and definitions.	17-19
AO2	**Application** Apply knowledge, understanding and theories to organisational practice.	17-19
AO3	**Communicate understanding** Describe and explain management concepts and techniques and their use in influencing organisational performance.	29-31
AO4	**Analyse** Classify, compare and analyse management information; interpret performance data and information; recognise patterns and correlations; predict consequences; apply concepts/make connections.	17-19
AO5	**Evaluation** Weigh up of evidence in order to build a reasoned decision; draw conclusions and make recommendations.	15-17
	Total	100

Performance descriptors

Grade	Descriptor
Pass	Candidates recall facts, theories, terms and definitions, showing an understanding of management concepts and techniques and their use in influencing organisational performance. They apply their knowledge and understanding to organisational practice, making comparisons and conducting basic analyses of management information. They interpret performance data in order to recognise some patterns and correlations and predict consequences, evaluating evidence in order to come to a conclusion and make recommendations.
Distinction	Candidates recall facts, theories, terms and definitions, communicating a thorough understanding of management concepts and techniques and their use in influencing organisational performance. They consistently apply their knowledge and understanding to organisational practice, making detailed comparisons and conducting thorough analyses of management information. They interpret sophisticated performance data in order to recognise patterns and correlations and predict consequences, thoroughly evaluating evidence in order to come to a balanced conclusion and make reasoned judgements.

Performance descriptors may be revised following first award.

Entry and assessment information

Please see the *LCCI International Qualifications Operations Guide for Centres* and the *LCCI Examination Regulations*, available from our website: qualifications.pearson.com/lcci

Student entry

Details on how to enter candidates for the examination for this qualification can be found at: qualifications.pearson.com/lcci

The closing date for entries is approximately six weeks before the start of each examination series. Centres should refer to the published examination timetable for examination dates.

Combinations of entry

There are no forbidden combinations of entry for this qualification.

Age

This qualification is intended for learners aged 16 and above.

Resitting the qualification

Candidates can resit the examination for the Pearson LCCI Level 4 Certificate in Organisational Behaviour and Performance (VRQ).

It is strongly advised that candidates do not register to undertake a resit until they have received the results from their previous examination.

Awarding and reporting

The Pearson LCCI Level 4 Certificate in Organisational Behaviour and Performance (VRQ) qualification is certificated on a three-grade scale: Pass/Merit/Distinction.

Pass and Distinction are awarded; Merit is arithmetically calculated.

Access arrangements, reasonable adjustments and special consideration

Access arrangements

Access arrangements are agreed before an assessment. They allow students with special educational needs, disabilities or temporary injuries to:

- access the assessment

- show what they know and can do without changing the demands of the assessment.

The intention behind an access arrangement is to meet the particular needs of an individual student with a disability without affecting the integrity of the assessment. Access arrangements are the principal way in which awarding bodies comply with the duty under the Equality Act 2010 to make 'reasonable adjustments'.

Access arrangements should always be processed at the start of the course. Students will then know what is available and have the access arrangement(s) in place for assessment.

Reasonable adjustments

The Equality Act 2010 requires an awarding organisation to make reasonable adjustments where a person with a disability would be at a substantial disadvantage in undertaking an assessment. The awarding organisation is required to take reasonable steps to overcome that disadvantage.

A reasonable adjustment for a particular person may be unique to that individual and therefore might not be in the list of available access arrangements.

Whether an adjustment will be considered reasonable will depend on a number of factors, which will include:

- the needs of the student with the disability

- the effectiveness of the adjustment

- the cost of the adjustment; and

- the likely impact of the adjustment on the student with the disability and other students.

An adjustment will not be approved if it involves unreasonable costs to the awarding organisation, timeframes or affects the security or integrity of the assessment. This is because the adjustment is not 'reasonable'.

Special consideration

Special consideration is a post-examination adjustment to a student's mark or grade to reflect temporary injury, illness or other indisposition at the time of the examination/assessment, which has had, or is reasonably likely to have had, a material effect on a candidate's ability to take an assessment or demonstrate his or her level of attainment in an assessment.

Further information

Please see our website or email internationalenquiries@pearson.com for further information about how to apply for access arrangements and special consideration.

For further information about access arrangements, reasonable adjustments and special consideration please refer to the JCQ website: http://www.jcq.org.uk/examination-system/access-arrangements-and-special-consideration

Equality Act 2010 and Pearson equality policy

Equality and fairness are central to our work. Our equality policy requires all students to have equal opportunity to access our qualifications and assessments, and our qualifications to be awarded in a way that is fair to every student.

We are committed to making sure that:

- students with a protected characteristic (as defined by the Equality Act 2010) are not, when they are undertaking one of our qualifications, disadvantaged in comparison to students who do not share that characteristic

- all students achieve the recognition they deserve for undertaking a qualification and that this achievement can be compared fairly to the achievement of their peers.

You can find details on how to make adjustments for students with protected characteristics in the policy document *Access Arrangements, Reasonable Adjustments and Special Considerations*, which is on our website, http://qualifications.pearson.com/en/support/support-topics/exams/special-requirements.html

Malpractice

For up-to-date information on malpractice please refer to the latest Joint Council for Qualifications (JCQ) *Suspected Malpractice in Examinations and Assessments* document, available on the JCQ website: http://www.jcq.org.uk/exams-office/malpractice/

Candidate malpractice

Candidate malpractice refers to any act by a candidate that compromises or seeks to compromise the process of assessment or which undermines the integrity of the qualifications or the validity of results/certificates.

Candidate malpractice in examinations must be reported to Pearson using a JCQ M1 Form (available at www.jcq.org.uk/exams-office/malpractice). The form can be emailed to pqsmalpractice@pearson.com or posted to Investigations Team, Pearson, 190 High Holborn, London, WC1V 7BH. Please provide as much information and supporting documentation as possible. Note that the final decision regarding appropriate sanctions lies with Pearson.

Failure to report malpractice constitutes staff or centre malpractice.

Staff/centre malpractice

Staff and centre malpractice includes both deliberate malpractice and maladministration of our qualifications. As with candidate malpractice, staff and centre malpractice is any act that compromises or seeks to compromise the process of assessment or which undermines the integrity of the qualifications or the validity of results/certificates.

All cases of suspected staff malpractice and maladministration must be reported immediately, before any investigation is undertaken by the centre, to Pearson on a JCQ M2 (a) Form (available at www.jcq.org.uk/exams-office/malpractice). The form, supporting documentation and as much information as possible can be emailed to pqsmalpractice@pearson.com or posted to Investigations Team, Pearson, 190 High Holborn, London, WC1V 7BH. Note that the final decision regarding appropriate sanctions lies with Pearson.

Failure to report malpractice itself constitutes malpractice. More detailed guidance on malpractice can be found in the latest version of the document *JCQ General and Vocational Qualifications Suspected Malpractice in Examinations and Assessments*, available at www.jcq.org.uk/exams-office/malpractice

Language of assessment

Assessment of this specification will be in English only. Assessment materials will be published in English only and all work submitted for examination must be in English only.

Other information

Guided Learning Hours

Guided Learning Hours (GLH): the number of teacher-led contact hours required to support student achievement for a qualification.

The Pearson LCCI Level 4 Certificate in Organisational Behaviour and Performance (VRQ) requires 120 GLH.

Centres should ensure that students have additional time for self-study and preparation for the final examination, this is in addition to the GLH stated above.

Student recruitment

Pearson follows the JCQ policy concerning recruitment to our qualifications in that:

- they must be available to anyone who is capable of reaching the required standard
- they must be free from barriers that restrict access and progression
- equal opportunities exist for all students.

Prior learning and other requirements

There are no formal entry requirements for this qualification.

Students may be studying in a local language but the assessment will be in English. Pearson recommends students have B2 level of English on the Common European Framework of Reference (CEFR). This will support access to the assessment materials and be able to communicate responses effectively.

Progression

Learners can progress from this qualification by working towards higher professional qualifications and to membership of professional bodies – increasing their employability in their chosen sector. Learners may also choose to continue their academic development by progressing to degree courses in various disciplines.

Using appropriate internal processes, centres must ensure they choose the most appropriate qualification level for their learners' needs.

Exemptions

This qualification provides exemption from ACCA's F1 Accountant in Business qualification.

We are seeking exemptions for our qualifications from a number of Professional Bodies. For the latest list of exemptions, please visit the Pearson LCCI website, and choose your relevant qualification.

http://qualifications.pearson.com/content/dam/pdf/LCCI/2014/Recognition-from-PBs-for-LCCI-qualifications-July-2015.pdf

National Occupational Standards

The Pearson LCCI Level 4 Certificate in Organisational Behaviour and Performance (VRQ) has links to the following National Occupational Standards (NOS):

- Finance and Accounting

Please see our website for further details.

Codes

This qualification is approved by Ofqual and meets the Ofqual General Conditions for inclusion on the Register of Regulated Qualifications. The Qualification Number (QN) is: 601/5176/6

The subject code for the Pearson LCCI Level 4 Certificate in Organisational Behaviour and Performance (VRQ) is: ASE20103. The subject code is used by centres to enter students for a qualification.

Support, training and resources

Training

Pearson offers support and training to teachers on standard of delivery and preparing students to meet the assessment requirements.

Specifications, Sample Assessment Materials and Teacher Support Materials

The Pearson LCCI Level 4 Certificate in Organisational Behaviour and Performance (VRQ) Sample Assessment Materials document (ISBN 9781446926833) can be downloaded from our website.

To find a list of all the support documents available please visit our website.