

Guidance to centres

Level 3
BTEC NVQ
Business Start-Up

April 2002

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Section 1: General information about NVQs

Introduction

This section provides an overview of NVQs. If you are already familiar with the concept of NVQs, you may wish to go straight to section 2.

What are NVQs?

National Vocational Qualifications (NVQs) are work-based qualifications that assess the skills and knowledge people need to perform their job role effectively. The qualifications are based on national occupational standards, which define what employees, or potential employees, must be able to do and know, how well they must do these things, and the circumstances in which they have to use the skills or carry out the activities.

The standards are usually defined by national training organisations (NTOs), which are made up of representatives from the relevant industrial sector.

The organisation responsible for the standards for the Business Start-up NVQ Level 3 in Business Start-Up is:

Small Firms Enterprise Development Initiative
PO Box 1753
Sheffield
S11 8WT

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Fax: 0114 209 6136
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Website: www.sfediuk.com

Each NVQ is designed to fit into a broad qualifications framework, which allows for the comparison of different qualifications in the UK and throughout Europe.

NVQs are open to all. There are no entry requirements, no prescribed methods of delivery, no time constraints for completion and no age limits. Candidates do not have to achieve their NVQ all at once, unit accreditation is available for those wishing to achieve an NVQ unit by unit over a period of time.

On occasions, special assessment arrangements may be needed in order to provide equal opportunities to candidates with special needs. Further information on special assessment arrangements can be found in section 5.

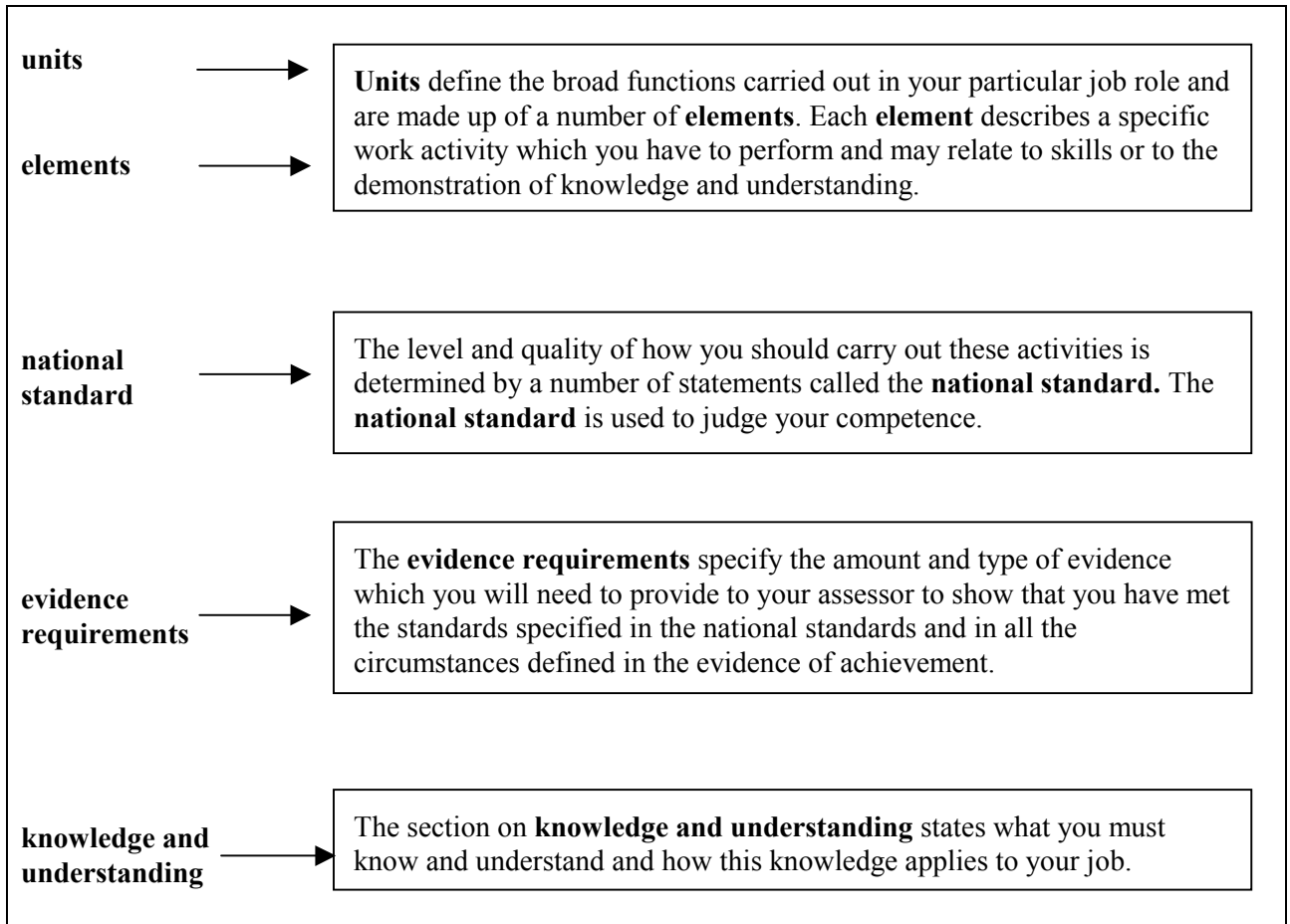
NVQs are available at five levels, which reflect the range of technical and supervisory skills, knowledge, and experience that employees should have as they progress in their industry. An explanation of the levels is provided on the following page.

Explanation of levels

Level	Candidates must show their competence:
Level 1	in a range of activities that are largely routine and predictable.
Level 2	in a broader range of work activities that are less routine and predictable. Their job role will need to have some autonomy and responsibility and may require them to work as part of a team.
Level 3	by applying their knowledge and skills while carrying out a broad range of varied work activities, most of which are complex and non-routine. Their job role will have considerable autonomy or responsibility, and often require them to manage others.
Level 4	through complex work activities that require technical knowledge. Their job role requires substantial personal autonomy and often requires them to take responsibility for the work of others and for allocating resources.
Level 5	when carrying out activities in a wide range of situations, which are often unpredictable. Substantial responsibility and autonomy is involved in the job role, which requires deciding on the allocation of resources and the work of others. It requires the use of complex skills such as analysis, design and evaluation.

What is the structure of an NVQ?

All NVQs have a common structure and consist of standards which can be broken down into various parts:



If you are not yet clear about how we define standards, remember that the standards have been developed by experts with experience in management and that all candidates aiming for this particular NVQ are being assessed against the same standards.

You will find an example of an NVQ unit overleaf.

An example of an NVQ unit in Business Start-Up at level 3

Evidence achievement record

Unit 1 Check how successful your business idea will be

Unit title
The title describes a role or task.

Element 1.1 Explain your business idea

Element
Each unit is made up of a number of elements. Each element describes a specific work activity that employees have to perform and the skills, knowledge or understanding required.

The national standard

In this section, you can explain your business idea to the national standard and know and understand to reach this standard.

What you need to do

You must make sure that you can do the following:

Assessor to insert date each time competence is achieved

The national standard
This sets out what candidates must do to show they can perform the work task competently. Assessors judge candidates' performance against these standards. All of the national standards needs to be met.

- a Clearly describe what your business is going to be
- b Explain why you think your business is going to be successful
- c Show what skills you need to run your business successfully
- d Find out how much it is likely to cost you to set up your business, how you will pay for it and how you will pay your early running costs
- e Work out how much money you need to make from your business and whether your business can make enough money
- f Work out how much you can charge your customers to cover your costs and meet your profit targets
- g Look at how anything beyond your control might affect your proposed business

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What proof you need:

You must prove that you explain your proposed business to the national standard. To do this, you must show that you have done all the things in 'What you need to do'. You must have explained a real business idea.

Your business can be:

- a new business you are setting up from scratch
- an existing single business that you might buy
- a franchise operation which you are looking into (a franchise is the right granted to someone by a company, which lets them use that company's name or methods in return for money or a share of the profits).

You must show that you have thought about:

Knowledge evidence record

Unit 1 Check how successful your business idea will be

Element 1.1 Explain your business idea

You need to collect knowledge evidence to cover the following:

Evidence key:			
EI	Evidence Index No.	O	Observation
WT	Witness Testimony	S	Simulation
APL	Accreditation of Prior Learning	P	Personal Statement
		Q&A	Questions and Answers

Knowledge and understanding
This states what candidates must know and understand, and how this knowledge applies to their jobs.

Knowledge and understanding for this element:

	Type of Evidence						
	EI	O	P	WT	S	APL	Q&A
Business attractiveness							
• Your business's unique selling point and why it is competitive	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
• How you can balance your own needs with your business needs	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
• How you check your business's profitability	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Financial aspects							
• How important it is for you to have a personal survival budget and how you can work it out	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
• Your planned profits and how you can work them out	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
• How you understand and use cash-flow forecasts and what information you would need to produce them	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Note: You will be given advice on how much of evidence of achievement you need to prove through performance evidence. The remaining parts of the evidence of achievement may be covered through questioning by your assessor.

Who is involved in NVQs?

A number of individuals and organisations are involvement in NVQ assessment. Their roles have been designed to guarantee fair, accurate and consistent assessment.

	Who are they?	What is their role?
Centres	<ul style="list-style-type: none"> Organisations that offer NVQs on behalf of Edexcel. They may be a school, college, university, training provider or employer. 	<ul style="list-style-type: none"> Responsible for the quality of the qualification. They must work within Edexcel's policies and guidelines, one of which is to provide a realistic working environment (RWE). Centres appoint assessors and internal verifiers. Once a year, centres must review the operation of the course and candidates' performance (see 'Review and evaluation' in section 5).
Candidates	<ul style="list-style-type: none"> The people who want to achieve the NVQ, eg an employee. 	<ul style="list-style-type: none"> Need to show they can perform to national standards in order to be awarded an NVQ or unit(s).
Assessors	<ul style="list-style-type: none"> The person who assesses the candidates and decides if they have met the required standard, eg a supervisor. 	<ul style="list-style-type: none"> Judge candidate's evidence of performance, knowledge and understanding against the national standards and decide whether candidates have demonstrated competence.
Internal verifiers	<ul style="list-style-type: none"> Individuals appointed by the centre who ensure that assessors apply the standards consistently, eg supervisor's line manager. 	<ul style="list-style-type: none"> Advise and support assessors and maintain the quality of assessment in a centre. They sample assessments systematically to confirm the quality and consistency of assessment decisions.
External verifier	<ul style="list-style-type: none"> Individuals appointed by Edexcel to ensure that standards are being applied uniformly and consistently across all centres offering the NVQ. 	<ul style="list-style-type: none"> Check the quality and consistency of assessments, both within and between centres by systematically sampling evidence. Make regular visits to centres to ensure they continue to meet the approval criteria.
Edexcel	<ul style="list-style-type: none"> Your awarding body, approved by the government to offer qualifications and awards. Edexcel provides qualifications throughout the world and was formed in 1996 by the merger of the Business and Technician Education Council (BTEC) and London Examinations. 	<ul style="list-style-type: none"> Issue candidates' certificate so that employers can be sure the qualification has been gained after a rigorous and effective assessment process.

Assessors, internal verifiers and external verifiers should have occupational expertise in the NVQs they are assessing and verifying. The NTO will normally specify the level of occupational expertise required, within the standards, please refer to the Assessment Strategy in Section 6 on page 41.

Assessors and verifiers are also expected to obtain an appropriate qualification in assessment and verification. This can take the form of the 'D units' (the national standards for assessment and verification) or an alternative qualification that the NTO recognises.

Edexcel expects all assessors, internal verifiers and external verifiers to obtain the appropriate D units or the NTO-recognised qualifications within **18 months** of starting to assess or verify.

Recommended prior learning

All Edexcel NVQs are offered on the fundamental principle of equality of opportunity. Organisations offering the NVQ in Business Start-Up are responsible for recruiting with integrity and selecting candidates on the basis of their ability to contribute to and successfully complete the qualifications.

There is no requirement for any prior qualifications, learning or experience for entry to the NVQ in Business Start-Up at Level 3. However, candidates who would benefit most from a Level 3 NVQ in Business Start-Up are likely to have one or more of the following:

- a related NVQ at level 2 (in an appropriate subject area, eg Catering and Hospitality, Hairdressing)
- a standard of literacy and numeracy supported by a general education equivalent to GCSEs at grades A* – C
- related work experience
- other related level 2 qualifications.

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Section 2: The NVQ Level 3 in Business Start-Up

The NVQ Level 3 in Business Start-Up recognises the skills, knowledge and understanding of candidates and allows them to gain a qualification in the workplace that relates to their job area and promotes good working practice.

The standards on which these NVQs are based have been developed by [the Small Firms Enterprise Development Initiative](#), the national training organisation for this industrial sector.

The NVQs are designed to be assessed in the workplace, or in conditions resembling the workplace. They are intended for those responsible for running their own businesses, for example entrepreneurs and the self-employed, micro and small businesses.

In a further education or training situation, assessment is often achieved through simulation. Simulation must be carried out in conditions resembling the workplace. For guidance on the use of simulation, see page 18 of section 3.

The NVQs in Business Start-up and who is it for?

The NVQ is presently available as Level 3 in Business Start-Up. The NVQ Level 3 would be a suitable qualification for people wishing to start their own business in diverse areas such as hairdressing salons, restaurants, events management service, jewellery manufacture, dress design, or magazine publishing or are in a business themselves.

What is the structure of the Level 3 NVQ in **Business Start-Up**

To achieve the whole qualification, candidates must prove competence in **all five mandatory** units. Candidates may choose if they wish, further units from 6-10 [that they see as appropriate to their own business needs](#).

Mandatory units for the Level 3 NVQ in **Business Start-Up**

Candidates must achieve **all five** of the units listed.

Unit number	Title	Element	Title
Unit 1	Check how successful your business idea will be	1.1	Explain your business idea
		1.2	Make sure there is a market for your business
		1.3	Decide if your business idea will be a success
Unit 2	Check your ability to run the business	2.1	Decide what skills are needed for the business
		2.2	Look at your own skills
		2.3	Plan how you will develop your own skills
		2.4	Check your own performance
Unit 3	Check what law and other regulations will affect your business	3.1	Make sure your business will be set up legally
		3.2	Make sure your business will trade legally
		3.3	Meet the current regulations for health and safety
Unit 4	Work out what money you need to start the business and keep it running	4.1	Decide how much money you need to start the business
		4.2	Decide where you will get the money to start the business
		4.3	Estimate your income and expenditure and decide how you will keep track of it
		4.4	Decide how you will judge if the business is financially successful
Unit 11	Develop the plan for your business	11.1	Check the research you have done about your business
		11.2	Produce your business plan

Optional units for the Level 3 NVQ in Business Start-Up

Candidates can complete those units that are appropriate for their own business needs.

Unit number	Title	Element	Title
Unit 5	Decide how you will sell and market your products and services	5.1	Find out about the market for your business's products or services
		5.2	Produce a plan for marketing
		5.3	Produce a plan for sales
		5.4	Decide how you will judge the success of your marketing and sales
Unit 6	Decide how to use quality standards in your business	6.1	Decide if quality is important to your business
		6.2	Decide how to include quality in your business
		6.3	Set quality targets for your business
Unit 7	Decide on your policy for looking after customers	7.1	Find out what your customers need from your business
		7.2	Develop a policy to meet your customer's needs
		7.3	Decide how you will put your customer-service policy into practice
Unit 8	Get premises for your business	8.1	Decide if your business needs its own premises
		8.2	Choose premises for your business
		8.3	Agree the terms and conditions for the premises
Unit 9	Decide how you will get equipment, tools and materials	9.1	Decide what equipment, tools and materials you need for your business
		9.2	Decide where to get the equipment, tools and materials for your business
		9.3	Make sure you can get the equipment, tools and materials when you need them

Continued overleaf

Unit number	Title	Element	Title
Unit 10	Get the right stuff for your business	10.1	Decide how to get the skills the business needs
		10.2	Decide if you should employ staff
		10.3	Plan how you will get staff, train them and judge their work

Section 3: Assessment

Introduction

This section offers practical advice on all aspects of assessment, from planning assessment opportunities to recording evidence. The guidance should help you to ensure that your assessment is effective, rigorous and appropriate. The section outlines an approach to assessment based on good practice. You may develop your own approach if you wish.

This guidance is written primarily for assessors, but it may also be helpful to candidates.

What is assessment?

Assessment is the key to achieving NVQs. As an assessor, your role is vital in helping your candidates to achieve their award and in ensuring that the requirements of the occupational standards are met. You will need to be clear about what is meant by assessment and what you are assessing.

In deciding whether a candidate should be awarded an NVQ, you will need to go through the following stages:

- becoming familiar with the standards
- planning for assessment
- collecting evidence of the candidate's performance
- judging the candidate's evidence against the NVQ standards and making an assessment decision
- recording the assessment decision.

Roles in assessment

Before beginning the assessment process, both you and the candidate should be clear about your roles.

Assessor's role

The assessor must:

- ensure that candidates understand what is expected of them, what is to be assessed and how it is to be assessed
- ensure that the conditions and materials required for assessment are available
- observe and record candidates carrying out the activities described in the standards – records should say what has been observed, how it was carried out, and what it demonstrated
- know who will act as an internal verifier
- question candidates and record results
- help candidates to gather and provide evidence
- judge evidence
- authenticate the evidence candidates provide
- record achievement
- identify gaps or shortfalls in candidates' competence
- provide feedback to candidates.

Candidate's role

The candidate must:

- prepare for assessment by familiarising themselves with the standards, what is to be assessed and how it will be assessed
- carry out activities and/or answer questions
- gather and present evidence for assessment
- receive and act on feedback from the assessor.

Approaches to assessment

Candidates' primary evidence should be in the form of a business plan which is capable of being presented to a business or financial advisor. Candidates' evidence must be based on real working contexts and activities involved in researching, planning and starting a new business. Products such as records, statements, plans and forecasts should be used wherever they are available, as indicated in the assessment strategy. Where these are not included in the business plan, their location should be recorded in the candidate's log book to ensure easy access by EVs if this is required.

In ensuring full coverage of the appropriate standards, any supplementary evidence generated should be recorded by the candidate, including its purpose and relationship with the business plan.

Simulation is not acceptable. However, candidates may include scenario and forward planning, such as marketing proposals, cash flow forecasts and anticipated staffing structures. This is clearly stated in each element of the standards for The Level 3 NVQ in Business Start-Up.

Both the content of the evidence and the process of its collection and assessment must relate as closely as possible to relevant activities in the workplace and that such evidence is authentic. The type and amount of evidence required will depend on the size, type and nature of the business proposed by the candidate, but must match the standards of the NVQ Level 3 in Business Start-Up. The standards make clear what is required for each unit and element.

Timing

A candidate may begin their NVQ at any time provided the necessary preparations and plans have been made.

There is no limit on the time a candidate may take to gain the whole qualification or individual unit(s). Some candidates will take longer than others, depending on their understanding of the award, their work setting and personal circumstances. An assessor should therefore organise and arrange assessment appropriate to each candidate, although there must be an agreed target date for completion.

However, it is important that the evidence submitted demonstrates current competence of the task being assessed, particularly if the evidence is from the past.

The five steps to assessment

If you follow the five steps identified, you should be able to ensure that your candidates move efficiently and effectively towards achievement of their NVQ.

Step 1: Plan and organise assessment

You should make sure that candidates receive guidance before starting an NVQ. They need advice to ensure that their existing job remit, skills, experience and plans for progression are matched to the NVQ selected. It does not have to be you, as the assessor, who carries out the matching exercise. In fact, this part of the process is often carried out during induction, but whoever has responsibility for it should ensure that the assessment opportunities available to the candidate are also considered.

You will need to work out how much time you and your candidate are able to devote to the NVQ. This is likely to be limited by the demands of a busy workplace, or by timetabling. If possible, try to agree sessions in advance and stick to them and remember that you need to allow for review and evaluation sessions in addition to assessments. Once this is agreed you can begin planning.

There are two levels of planning:

- the overall plan when you and your candidate look at the whole qualification and set targets for achievement
- individual plans for assessment.

Overall assessment planning

It is good practice for you to agree an overall assessment plan with your candidate. An overall assessment plan should include:

- the overall programme for assessment, identifying how and when each part of the NVQ will be assessed
- target dates for completing each unit. There are no time limits on the amount of time a candidate can take to complete a unit or an NVQ, but target dates will motivate candidates and help you to monitor progress
- how you are going to give feedback
- what happens if there is a disagreement between the candidate and yourself.

Producing an overall assessment plan is the ideal time for you and your candidate to identify opportunities for **integrating assessment**. This is when a piece of evidence generated from one activity is used to prove competence across different elements, performance criteria and/or units. To reduce the assessment burden on you and your candidate you will need to maximise the opportunities for integration.

Through producing the overall plan you may also identify job activities the candidate currently performs that match the standards and can plan to assess them immediately. You may also identify evidence from past achievement that can be used (see 'Accreditation of prior learning' on page 19). If the candidate is providing evidence from the workplace, their job role may mean they are not able to cover all the standards during the normal course of their work. You may need to create new opportunities, such as arranging for your candidate to move to a different department so that different activities can be performed or different skills used. The candidate might also need to attend a college or training course to fill in any gaps.

You may need to reassure your candidate at this stage. Many feel overwhelmed by the apparent amount of evidence they will have to produce, but they will need to realise that with effective planning the process can be made much easier and they will be more likely to succeed.

Individual assessment planning

You and your candidate will need to plan each individual assessment carefully. You will need to decide the methods you will use to carry out the assessment, where and when the assessment will take place and who will be present. You should agree a **unit assessment plan** that specifies the tasks to be carried out, the time they will take and the parts of the standards that will be covered. (See page 27 for an example of a **unit assessment plan**.)

Although you need to plan carefully what you are expecting to assess, always be prepared to allow candidates to provide additional evidence if the opportunity arises.

There is no limit to the time it takes for a candidate to complete a unit or NVQ. However, you and your candidate should still set target dates for completing each unit. In reaching agreement, take into account the candidate's job or training programme and clearly mark out the points of decision for each element and unit.

Step 2: Decide on the assessment methods

The methods of assessment you use should be valid, reliable and practicable.

- By '**valid**' we mean that the assessment should be appropriate to the standards.
- By '**reliable**' we mean that the assessment method should ensure consistent results when used with different candidates, different assessors and on different occasions.
- By '**practicable**' we mean that the method should ensure the assessment takes account of available resources, equipment and time.

As an assessor, it is your responsibility to familiarise yourself with the standards you will be assessing. In doing so, you will be able to identify what skills need to be demonstrated and the types of evidence that a candidate needs to generate in order to complete the all units of the NVQ.

Once you are familiar with the performance criteria, range and evidence requirements in all the units of the NVQ you will find it easier to decide what is acceptable evidence and how it should be produced by the candidate.

You and your candidate must agree the methods of evidence collection that are most appropriate to the candidate's work setting and patterns. Evidence must be precisely and directly relevant to the particular standards for which a candidate seeks credit; it cannot be just a general indication of acceptable practice.

Assessment methods

All methods of assessment fall under one of three categories: **observation, product evaluation and questioning**.

Observation

Observing performance will be the most common method used in assessing the NVQ. Observation can be organised in a variety of ways:

- continuously working alongside the candidate
- arranging to work alongside the candidate at specific times
- planning to visit when particularly relevant activities are scheduled
- arranging for particular activities to take place.

The candidate will be able to supplement direct observation of performance with other types of evidence, eg **personal statements** or **witness testimonies**. It is also possible to use tape recordings or other technologies to record performance, should your presence as an assessor not be possible.

Observation by an assessor is considered to be the most valid and reliable method of assessment and there will be many naturally arising opportunities for you to use this technique.

You should complete an **observation record** to show the internal and external verifier how you reached a decision on the candidate's competence. You can find a completed **observation record** in section 4 and we suggest you use the example as an indication of what information we need. For example, details of the activity, date observed, and how the observation relates to the standards.

Product evaluation

This involves judging products candidates produced during the course of their work. Product evidence will be used a great deal. The exact nature of this evidence will depend on what the candidate's job entails. Examples of product evidence include letters, memos, lists and reports.

Questioning

Candidates have to prove that they have the required knowledge and understanding for each unit. They will often demonstrate it through the production of evidence, though in some cases this will not be possible.

Questioning is the ideal way of proving whether or not the candidate has the necessary knowledge and understanding. Questions can be given in many forms such as short-answer questions, projects, multiple-choice tests, case studies, or assignments.

There may be more emphasis on questioning to prove knowledge in areas where evidence is generated through practical working activities, and where there may be no product evidence. If you are a visiting assessor, you might use questioning to prove the candidate's competence and the authenticity of the evidence.

Questioning is a powerful means of checking the knowledge and understanding that lies behind performance. It is also a useful tool for exploring why a candidate acted in a certain way, or to identify what they would have done if circumstances had been different.

Questions, whether oral or written, should not require candidates to apply their knowledge and understanding in ways that are either more complex or more simplistic than is necessary to achieve the standards.

Supporting evidence

On most occasions the candidate will be able to support your observations with other types of evidence, such as witness and personal testimony, work products, assignments and projects.

Testimony – personal and witness

It is inevitable that you will not be able to observe everything your candidate does. On such occasions, statements from other people (witness testimonies) who have seen your candidate working can be useful sources of evidence for the NVQ as they can describe each activity in detail. Generally, testimonies are used to support other evidence produced. You should bear in mind that the strength of evidence will vary, depending on the knowledge and expertise of the person providing the testimony and you will have to take several factors into account when you make a judgement. It may help if you think of a line from strongest to weakest.

Strongest	Stronger	Weaker	Weakest
Professional worker in senior position in same type of work with knowledge of the standards	Professional worker in senior position but with no knowledge of the standards	Colleague with equal experience but no knowledge of the standards	Person with no experience of the workplace or knowledge of the standards

Work products

A number of items could be produced by candidates as evidence, for example: copies of records or reports that the candidate has compiled, letters and memos, minutes of meetings, leaflets or booklets that provide information to clients, photographs, audio or videotape recordings of work which the candidate has carried out. Work products will normally be located in the candidate's portfolio and they should be cross-referenced to the performance criteria/elements to which they apply.

Work products **must** be wholly or partially the result of work undertaken by the candidate. To ensure authenticity, the products should be countersigned by a person in a position of responsibility who is able to vouch that the products are the unaided work of the candidate.

Assignments and projects

Assignments and projects are also useful ways to collect evidence. However, you should ensure you are not asking for a competence that is not required by the standards. For example, it may not be necessary for the candidate to be able to write or design a project report in order to satisfy the competence requirements.

Assignments and projects might be a particularly useful way for a candidate to track the course of their work over a period of time and this could be structured to serve the purposes of specific elements of competence. This method of collecting evidence is particularly appropriate for units that link a series of activities such as planning, implementation and evaluation.

However, care must be exercised when judging whether competence in actual practice or knowledge specifications has been demonstrated.

Using simulation

Throughout the NVQ, the emphasis is on the candidate being able to carry out real work activities so assessment will normally be carried out in the workplace itself.

On some occasions though, it might not be appropriate for you to assess a candidate while they are working. Examples might be: where the NVQ requires candidates to carry out emergency or contingency procedures, for safety or confidentiality reasons and/or where a candidate's job role does not cover all aspects of the qualification.

In such instances, and if the candidate has no other means of generating evidence, **simulation** might be appropriate.

Simulation is any structured exercise involving a specific task that reproduces real-life situations. If simulation is used, particular care must be taken to ensure that:

- the conditions in which you are assessing the candidate *exactly* mirror the work environment, ie it is a realistic working environment
- the simulation allows candidates to demonstrate competence across the full range specified in the outcomes

- the evidence generated is sufficient to convince you that the candidate has achieved the required standard of competence and that they are capable of sustaining that performance.

You and your candidate should check the standards carefully to find out the national training organisation's view of what constitutes a realistic working environment. Some NTOs stipulate the specific elements which are suitable for this approach.

Accreditation of prior learning (evidence from past achievement)

In assessing candidates for an NVQ, evidence relating to past performance can be used as well as that relating to current performance.

In recent years, the concept of accrediting prior learning (APL) has developed as a way of ensuring that the past experiences and learning of mature people is recognised and validated. Nevertheless, it must be remembered that NVQs are awarded on the basis of assessment of performance against standards.

The competence basis of NVQs means that evidence must always relate to performance, not just knowledge. The evidence of such performance must always be valid and relevant to specific standards.

Step 3: Judge the evidence

The following criteria must be used when evaluating if a piece of work can be put forward as evidence, including supporting evidence.

- **Relevance:** the degree of 'match' between the item of evidence and the required competence, range statement and underpinning knowledge for a unit. If the evidence does not match, it is not relevant.
- **Validity:** the evidence must relate to a specific part of the NVQ standards.
- **Authenticity:** the evidence must be the work of your candidate as an individual and not someone else or a group of people. You may require confirmation of this from the candidate's professional colleagues.
- **Currency:** the evidence must show the present ability of the candidate to perform to the national standards. The assessor should judge the acceptability of evidence from the past by the length of time that has elapsed since the performance described took place. Such judgements should take into account the 'perishability' of the skill involved, as well as 'watershed' or 'landmark' occurrences in the sector, such as changes in the law, philosophy of practice. (If the competence is demonstrated in a skill test or simulation, then it becomes evidence of current competence rather than evidence from the past.)
- **Quantity:** the evidence must cover all the performance and knowledge requirements laid down in the standards.
- **Variety:** there must be evidence of performance in differing contexts or situations.
- **Sufficiency:** performance to the required standard must be consistent, ie it should be achieved on more than one occasion.

You have to be certain that the candidate has demonstrated competence. Even though all the performance criteria have to be met, you should concentrate on the elements and units when making judgements about sufficiency as they describe what is required. It is not necessary to observe each performance criterion several times but it is necessary to record all evidence that has been taken into account so that it can be identified by internal and external verifiers if necessary. Evidence will have different values – some will leave you in no doubt about

competence, while in other cases, you may need to ask for further evidence before you are confident about consistency of performance.

In short, you must be satisfied that your candidate can consistently work to the required standard and that evidence is not simply an isolated event that is unlikely to be repeated.

The standards also specify that candidates prove they have **knowledge evidence** (what the candidate needs to know about). Candidates' knowledge might be determined either by questioning them on the subject matter, or through validated evidence from recognised educational and training courses. It can also be revealed in performance evidence generated by your observations of the candidate.

You should feel confident that candidates have a broad and firm enough understanding to be able to sustain competence demonstrated through performance evidence.

Candidates will need to be clear about the knowledge requirements for each unit. You should encourage your candidates to read and study each unit as a whole so that they become familiar with the standards expressed in the elements, performance criteria, range statements, performance and knowledge evidence requirements.

Candidates should also be able to cross-reference their evidence, providing examples and definitions where necessary.

Some candidates may need considerable support and guidance to interpret the standards, especially in the early stages of preparing for assessment. Once they become familiar with the format of the standards, candidates should find it much easier to progress through their qualification.

The judgement of whether or not your candidate understands and applies the knowledge evidence is linked to your judgement of their performance.

Step 4: Record

For each unit, you should ensure that there is a verifiable record of:

- the assessment activities carried out, showing the methods used and evidence produced
- the date and people involved in the assessment
- your judgement of the candidate's competence
- the location of each piece of evidence within the candidate's portfolio.

The record sheets provided in the candidate's log book will allow all of this information to be recorded and we recommend their use. However, your centre may use its own recording documentation. This is acceptable as long as it contains all the required information and is passed by your external verifier as fit for purpose.

Insufficient evidence

Where insufficient evidence has been presented or the candidate has not met the performance criteria at the end of the targeted assessment period, you should indicate that the candidate is not yet competent. Feedback to the candidate must provide the reason why the decision has been made and this should be recorded.

Step 5: Provide feedback

Your candidate will need to be clear about your judgements and the reasons for them. Time should be set aside for feedback that conforms to the following general principles:

- feedback should relate the evidence provided to the national standards
- you should agree what form the feedback will take – written notes are always useful as a record but candidates should be given time to reflect on your comments
- you should ensure that your comments have been understood and listen to the candidate's view
- finally you should agree what happens as a result of the feedback – its purpose is to help candidates make the necessary adjustments, whether this means supplying more evidence, trying again or taking steps to develop the competence that is missing.

Disagreement

Your centre will have an appeals procedure to be used by candidates if they disagree with an assessment decision you have made. Make sure you are familiar with the procedure and that candidates know how to use it.

The appeals procedure should make it clear how complaints will be dealt with and what the outcomes might be.

As an assessor, you should make sure that you have a route through which you can express your concerns and reservations, whether these are about working with a particular candidate or an aspect of the standards and assessment method.

Section 4: How should evidence be presented?

The candidate's evidence is normally kept in a file, often called a portfolio. We produce a document called *Candidate guidance and log book*, which provides all the forms candidates need to record their progress and to help them index their evidence.

This section explains how and when to use the recording forms in the log book and provides worked examples.

Example 1: Index of evidence

The index of evidence should be placed at the front of a candidate's portfolio. As candidates produce pieces of evidence, they should give each piece a unique number. They should then complete the index of evidence so the evidence can be located easily. Every piece of evidence should be numbered and referenced on the index, including evidence that is not located in the portfolio, such as the business plan.

The final column of the sheet should be completed by the internal verifier if they sample the evidence.

Example 2: Unit assessment plan

Before candidates begin to collect any evidence it will be helpful for them to compile, with your help, a unit assessment plan. The plan will define the tasks to be carried out, how long the tasks will take and the evidence that will be generated. The tasks could be 'normal working activities' and part of the candidate's day-to-day job role, or 'activities needing to be performed', which means opportunities to carry out the tasks need to be generated.

Producing a unit assessment plan will help to identify suitable opportunities for integrating assessment of different units.

Example 3: Unit progress record

This form enables you and your candidate to see at a glance what stage the candidate is at in this qualification.

Each time your candidate achieves a unit of their NVQ, you should put your signature and the date next to the relevant unit title. Before signing next to a unit title, you will need to make sure that the candidate has completed the recording documents correctly and that their evidence can be easily located.

Example 4: Evidence achievement record

This lists the performance criteria and range in an element that your candidate needs to prove competence for. Each time your candidate meets the requirements of an outcome, you should write the date in the relevant box. The standards will stipulate how many times the candidate needs to perform individual activities.

On completion of each element, you should give your candidate feedback about their performance, informing them if they have been successful in achieving the required level of competence for individual outcomes. There is space on the back of the form for you to make comments and/or notes from the feedback session. Make sure that your candidate is clear about

your assessment decision and fully understands what you are saying. You should both then sign and date the form before filing it into the relevant section of the candidate's portfolio.

Example 5: Knowledge evidence record

This lists all the knowledge and understanding requirements a candidate needs to demonstrate for a unit.

While working through individual elements, the candidate should tick the appropriate boxes on the form to show which type(s) of evidence they have collected to prove they have the required level of knowledge and understanding.

Once you are satisfied that your candidate has achieved the knowledge and understanding requirements for the whole unit, you should, as with the element achievement record, note your comments from the feedback session on the form. You and your candidate should then sign and date the form before filing it in the portfolio.

Remember that on completion of the unit you should complete the candidate's **unit progress record**.

Example 6: Personal statement

A candidate uses a personal statement to record their experience of something, such as how they handled a specific situation. They should describe what they did, how they did it and why they did it. They can refer to other people who were present. This might provide the candidate with a **witness testimony** (see example 8), which should be noted in the 'Links to other evidence' column on the statement form.

The candidate might also use the personal statement to put a piece of evidence in context for you so you can help them decide if it is relevant to their NVQ. For example, the candidate may refer to paperwork that is used in the organisation to pass information to a colleague. It may not be clear to you why they are communicating in this way and a brief explanation from the candidate of its relevance may be required.

Example 7: Observation record

You should use this form to record your observations of the candidate as they work. The form allows you to:

- describe the skills you have seen the candidate use
- describe the activities you have seen the candidate perform
- specify the parts of the units that are covered by the observation
- provide details of the knowledge and understanding apparent from the candidate's performance
- list the other units/elements to which the evidence may contribute (integration of assessment).

There is space on the form for you to note your comments or feedback to the candidate. Once completed, the form should be referenced as evidence and included in the candidate's portfolio.

Example 8: Witness testimony

There may be occasions when you are not able to observe the candidate carrying out certain aspects of their job. In such instances, it may be appropriate for another person to comment on the candidate's performance by completing a statement called a 'witness testimony'.

Witness testimony should only be used to support other forms of evidence such as a product. It should:

- be provided by a person who is not related to the candidate and is in a position to make a valid comment about their performance, eg a supervisor, line manager, a client or customer
- contain comments that specifically relate the candidate's performance to the NVQ standards
- be authenticated by the inclusion of the witness's signature, role, address, telephone number and the date.

Example 9: Record of questions and candidate's answers

This form is used to record any questions you ask the candidate to establish they have the underpinning knowledge and evidence required by a unit. The candidate's answers should also be noted. Both you and the candidate should sign and date the form.

Example 1: Index of evidence

NVQ title and level: **Business Start-Up Level 3**

Evidence number	Description of evidence	Included in portfolio (Yes/No) <i>If No, state location</i>	Units/elements evidence links to (give specific numbers, eg 5.2.1)	Internal verifier signature and date of sampling
1	Personal statement	Yes		
2	Personal statement	Yes		M. DAY 23/03/01
3	Personal statement	Yes		
4	Observation record	Yes		
5	Notes from planning meeting attended by business advisor	RH's File (Personnel)		M. DAY 23/03/01
6	Witness Testimony/ J Stansfield	Yes		M. DAY 23/03/01
7	Diary entry re planning meeting	Unit diary		
8	Witness Testimony/J Black			

Example 2: Unit assessment plan

Unit 10: Get the right staff for your business

Candidate: *Bethany Fox*

Assessor: *Darren Higgitt*

Normal working activities performed

	Typical evidence	Work area	Expected completion date	Links to other units/elements
Element 1: Decide how to get the skills the business needs				
Carry out skills audit and analysis of staffing needs	Skills audit of self and existing staff Training plan for current staff	Office	20/03/01	Unit 1 Unit 11
Element 2: Decide if you should employ staff				
Carry out manpower planning exercise	Statement of the staff needed by the business	Office	23/03/01	Unit 1 Unit 11
Element 3: Plan how you will get staff, train them and judge their work				
Prepare staffing policy for business	Copy of outline staffing policy Personal statement	Office	29/03/01	Unit 1 Unit 11

Activities needing to be performed

Element 1: Decide how to get the skills the business needs				
Arrange meeting with business advisor	Notes of discussion about current and future levels of skills	Business advisor's office	20/03/01	Unit 1 Unit 11
Element 2: Decide if you should employ staff				
Set aside time to prepare manpower plan	Schedule of tasks	Own office	23/03/01	Unit 1 Unit 11
Element 3: Plan how you will get staff, train them and judge their work				
Arrange presentation to business advisor	Notes and PowerPoint presentation	Business advisor's office	29/03/01	Unit 1 Unit 11

Additional comments

The candidate will generate most of the evidence for this unit in their normal business planning activities, which will include meetings with and a presentation to their business advisor.

Assessor's signature: *Darren Higgitt*

Date: *13/03/01*

Candidate's signature: *Bethany Fox*

Date: *13/03/01*

Example 3: Unit progress record

Qualification and level: **Business Start-Up Level 3**

Candidate: Bethany Fox

To achieve the whole qualification, you must prove competence in **all five mandatory units**. You may choose if you wish further units from units 6 – 10.

Unit checklist: circle the reference number of each unit as you complete it.

Circle the reference numbers as you complete each unit. You can then easily see what stage you have reached in your NVO

Mandatory	Unit 1	Unit 2	Unit 3	Unit 4	Unit 11	
Optional	Unit 5	Unit 6	Unit 7	Unit 8	Unit 9	Unit 10

Mandatory units

Unit number	Title	Assessor's signature	Date
Unit 1	Check how successful your business idea will be		
Unit 2	Check your ability to run the business	<i>D. Higgitt</i>	<i>14/02</i>
Unit 3	Check what law and other regulations will affect your business	<i>D. Higgitt</i>	<i>14/02</i>
Unit 4	Work out what money you need to start the business and keep it running	<i>D. Higgitt</i>	<i>14/02</i>
Unit 11	Develop the plan for your business		

Continued overleaf...

This section of the form is for your assessor to sign each time you successfully achieve a unit.

Optional units

Unit number	Title	Assessor's signature	Date
Unit 5	Decide how you will sell and market your products and services		
Unit 6	Decide how to use quality standards in your business		
Unit 7	Decide on your policy for looking after customers		
Unit 8	Get premises for your business		
Unit 9	Decide how you will get equipment, tools and materials		
Unit 10	Get the right staff for your business		

Example 4: Evidence achievement record

Evidence achievement record

Unit 2 Check your ability to run the business

Element 2.1 Decide what skills are needed for the business

The national standard

In this section you can decide what skills are needed for the business to the national standard. It lists what you need to do, know and understand to reach this standard.

What you need to do

Assessor to insert date each time competence is achieved

You must make sure that you can do the following:

a	Fully describe what needs to be done to make the products or provide the services offered by the business	9/04	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b	Explain how the business will be managed and describe what management skills are needed	9/04	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c	Explain how the business will run on a day-to-day basis and how the performance of the business will be recorded and checked	9/04	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
d	Describe how often each type of skill and ability is needed	9/04	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
e	Look at whether the business needs for skills and abilities is likely to change in the first years of running the business	9/04	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

What proof you need:

You must prove that you have decided what skills are needed for the business to the national standard. To do this, you must show that you have done all the things in 'What you need to do'. You must have explained the skills needed for a real business idea.

You must show that you have thought about:

- the technical skills which are needed to make the product or provide the service (these might include the manual and equipment skills to make a product, or the range of skills needed to provide a service like, say, hairdressing, or the range of tasks needed to keep a retail shop running)
- the management skills needed to run the business (these might include the skills necessary to manage money, plans, customers, products, quality and people)
- how the business will run on a day-to-day basis and how you will cope with things like quality and record keeping
- what professional help you will need (this might include, for example, preparing accounts for Income Tax).

Example 5: Knowledge evidence record

Knowledge evidence record

Unit 2 Check your ability to run the business

Element 2.1 Decide what skills are needed for the business

You need to collect knowledge evidence to cover the following:

Evidence key:						
EI	Evidence Index No.	O	Observation	P	Personal Statement	
WT	Witness Testimony	S	Simulation	Q&A	Questions and Answers	
APL	Accreditation of Prior Learning					

Knowledge and understanding for this element:							
Type of Evidence							
	EI	O	P	WT	S	APL	Q&A
Making the product and providing the service							
• What needs to be done and when it should be done, to produce the product or provide the service	2, 5, 6	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	11/04
• The skills needed to produce the product or provide the service	9	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	11/04
Managing the business							
• What management skills are needed to make sure the business runs smoothly	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Day-to-day running of the business							
• How to maintain sales	11	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	11/04
• How to make sure you receive payment for goods and services	11	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	11/04
• How to keep everything to the right quality	11	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	11/04
• How to keep records	11	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	11/04

Note: You will be given advice on how much of evidence of achievement you need to prove through performance evidence. The remaining parts of the evidence of achievement may be covered through questioning by your assessor.

Unit 2

Check your ability to run the business

Feedback/comments

The candidate has satisfied the assessor and internal verifier that the performance criteria, evidence, knowledge and understanding requirements have been achieved.

Candidate: _____ **Date:** _____

Assessor: _____ **Date:** _____

Internal Verifier: _____ **Date:** _____

Example 6: Personal statement

Date	Evidence index number	Details of statement	Links to other evidence (enter numbers)	Units, elements, national standards covered
30/03	10	<p>I have prepared a staffing policy statement to deal with the future staffing needs of my business (Portfolio reference 11). This includes a framework for recruiting a limited number of staff, which reflects the business aims and the staffing budget I have established.</p> <p>I anticipate that most staff will be suitably qualified when they join the business, although the policy indicates long-term training forecasts and expectations.</p> <p>The policy also identifies an induction programme and outline disciplinary and grievance procedures. I have also addressed the legal aspects I need to consider when employing people.</p> <p>I have met the requirements of Unit 10, but I am aware that this will be a working document for the foreseeable future. I have presented the policy to my tutor and my business advisor, using PowerPoint (which extended my IT skills) and will modify the work I have done following feedback from the presentation.</p>	Unit 1 Unit 11	10.3 a, b, c, d,

Candidate's signature: *Bethany Fox*

Date: *30/03/01*

Example 7: Observation record

Unit/element(s) 2.1: Decide what skills are needed for the business
Candidate: Bethany Fox **Date of observation:** 27/03/01
Evidence index number: 11

Skills/activities observed:	National standards covered:
Presentation to financial advisor and bank manager relating to the planned day-to-day running of the business.	c, d, e

Knowledge and understanding apparent from this observation:
Day-to-day running of the business: How to maintain sales How to make sure you receive payment for goods and services How to keep everything to the right quality How to keep records

Other units/elements to which this evidence may contribute:
Units 5, 6, & 7

Assessor comments and feedback to candidate:
A very competent presentation making good use of PowerPoint. Bethany presented a detailed summary of the business planning relating to day-to-day running of the business and answered questions from her audience competently.

I can confirm the candidate's performance was satisfactory.

Assessor's signature: *Darren Higgitt* **Date:** *27/03/01*

Candidate's signature: *Bethany Fox* **Date:** *27/03/01*

Example 8: Witness testimony

NVQ title and level:	Business Start-Up – Level 3
Candidate name:	Bethany Fox
Evidence index no:	27
Where applicable, evidence no to which this testimony relates:	11
Element(s):	10.3
Date of evidence:	27/03/01
Witness name:	Pam Adams
Relationship to candidate:	Business advisor
Details of testimony:	
<p>Bethany arranged a meeting with me to deliver a presentation about her planned staffing policy for her new business. She used PowerPoint to deliver the presentation. Her assessor was also present.</p> <p>Bethany's presentation addressed a wide range of issues relating to the employment of staff in a small business, including recruitment, induction, disciplinary and grievance procedures. She stated that she expected to make revisions based on feedback from myself and her assessor.</p> <p>There were a number of questions I asked which she answered competently and confidently.</p>	
I can confirm the candidate's evidence is authentic and accurate.	
Witness signature:	<i>Pam Adams</i>
Name:	Pamela Adams
Date:	27/03/01

Please tick (✓) the appropriate box.

D32/D33 Award

Familiar with the NVQ standards to which the candidate is working

Example 9: Record of questions and candidate's answers

Unit 5: Decide how you will sell and market your products and services	Element(s): 5.1: Find out about the market for your business's products or services
Evidence index number: 19	
<p>Circumstances of assessment:</p> <p>Knowledge is inferred from performance across the whole element. To conclude the knowledge and understanding requirements, I asked the candidate a number of questions indicated below:</p>	
List of questions and candidate's responses:	
<p>Q: What types of market research could you carry out and what would the costs be?</p> <p>A: I can design and develop a questionnaire, which I can circulate to local businesses. The costs for this would include preparation time, photocopying and postage. I would also plan to follow-up with telephone interviews, which would incur telephone charges and further time on my part. Other kinds of research that would cost less include desk research, eg reading articles, magazines and reports pertaining to my business.</p> <p>Q: How can you gather information about your competitors?</p> <p>A: I can employ a research company to investigate the local market in the kind of business I am planning. This may be expensive. I can also use the Internet to find out about local companies and their business activities, as well as gathering information from local sources, eg the library and tourist information centres</p> <p>Q:</p> <p>A:</p>	
<p>Assessor's signature: <i>Darren Higgitt</i> Date: <i>02/04/01</i></p> <p>Candidate's signature: <i>Bethany Fox</i> Date: <i>02/04/01</i></p>	

Section 5: Further information

How does an organisation become a centre?

An organisation can offer NVQs either by becoming a registered centre in its own right or by working with an organisation that has this status.

A centre is responsible for ensuring that internal quality control mechanisms are in place. Specifically, a centre needs to:

- develop a physical resource within the centre that addresses the needs of candidates
- select and train assessors and internal verifiers according to the relevant NTO specifications
- provide appropriate assessment opportunities for candidates, eg a suitable number at suitable times
- provide candidates with copies of the Level 3 in Business Start-Up units appropriate to their qualification
- provide assessors and internal verifiers with copies of the Level 3 in Business Start-Up standards.

Details of approval procedures are available from our Customer Response Centre.

Review and evaluation

The effective development of the programme depends on a full review of its operation and candidate performance. The review should be structured to allow all interested parties (candidates as well as staff) to contribute. The review should evaluate:

- success in meeting and the continuing relevance of the aims of the programme
- previous action plans
- admission, induction, advice and exit arrangements
- the programme of activities and arrangements for all candidates
- the assessment strategies and methods
- resource needs and availability of the resources to candidates
- the relevance, currency and effectiveness of support materials
- the external verifier's/comments
- future resource requirements, including staff development.

A review should take place at least once during each programme. A report and an action plan describing the findings and actions to be taken should be produced after each review.

Registration

Every candidate must be registered with an assessment centre that has been approved to deliver Level 3 in Business Start-Up.

To register, candidates should complete an Edexcel registration form (available from your centre contact, or Student Services, Edexcel Foundation, Stewart House, 32 Russell Square, London, WC1B 5DN). The form should be returned to Edexcel via the candidate's centre contact. Edexcel will register candidates, and issue them with an enrolment number. Candidates should check this and ensure all their details are correct. The notification will show their name

as it will appear on any award they receive. Any correction should be communicated to Edexcel immediately.

An initial registration fee has to be paid to Edexcel at this stage. Each assessment centre will have its own procedures for this, and will clarify with candidates what payments, if any, they will have to make, and when.

Candidate entries

Entries for NVQs will be accepted on a group award or unit-by-unit basis.

In most cases, candidates will be entered for a group award, as well as for the component units. If you enter a completion date for the group award, you need not enter the completion date for the component units (providing the completion date is the same) as verification will be carried out on the whole-group award.

All NVQ entries will need to be processed 10 weeks before the end of the month you have given as the completion date.

Please note that for NVQ units and group awards, there is no discretion in the application of the 10 week rule. We like all other NVQ and SVQ awarding bodies, are required to operate this rule to comply with the national criteria for accreditation as an awarding body. This means that no NVQ certification can take place until the 10-week period has elapsed.

Certification process

To enable candidates to receive their qualification efficiently, it is essential that you are familiar with the certification procedures used by Edexcel.

Once a unit has been achieved and the unit achievement form countersigned by the internal verifier, the centre contact should register this with Edexcel.

Details of the candidate's achievement will be entered in our records, and we will issue a 'Record of Achievement'. This will be sent to the centre contact to be passed on to the candidate.

When the candidate has achieved all the required units, we will issue the NVQ certificate.

Centre contacts should be aware of Edexcel requirements. For example:

- relevant forms and documents, and how to complete them
- the accredited centre number and relevant contacts
- appropriate Edexcel contacts
- how long qualifications take to process.

Your centre should inform assessors and internal verifiers on the administrative procedures used before assessment of candidates begins.

All assessors should ensure that there are full records of assessment and related evidence available for inspection by the external verifier. Such inspection is part of the external verifier's role, to ensure that the accredited centre is maintaining quality standards.

If there is a problem

Should a record of achievement or certificate not arrive when expected, the centre should contact Edexcel and have available:

- the candidate's enrolment number
- the centre's registration number
- the name and number of the scheme and qualification that the candidate has entered, eg NVQ Level 3 in Business Start-Up.

This ensures that the correct records can be accessed as quickly as possible.

Payment of fees

Edexcel will invoice the assessment centre for all fees due, both for registration of new candidates and certification of candidates' achievement. The assessment centre is responsible for paying these fees to Edexcel and for making its own arrangements to claim any fees due from candidates or their employers.

Anti-discriminatory practices

As part of the approval process, centres are required to ensure that they have an equal opportunities policy that covers all aspects of assessment including access to assessment and taking into account the timing and frequency of assessments. Internal verifiers have a key role in their work with assessors to ensure that assessments do not discriminate against any candidates.

All centres should publish an appeals procedure, which is made available to staff and candidates.

Special assessment arrangements

Candidates with a physical disability, a sensory impairment, a specific learning difficulty, or a temporary disability at the time of the assessment may be eligible for special assessment arrangements.

Special assessment arrangements are intended to enable candidates to demonstrate their level of competence in relation to the qualification standards. They are not intended to compensate for lack of competence and should not:

- give an unfair advantage to candidates
- reduce the validity and reliability of the assessment or compromise the credibility of the award
- mislead users of Edexcel certificates about candidates' competence.

It is important to note that where special assessment arrangements are applied, they may result in an amended certificate being issued. Any requests for special assessment arrangements need to be submitted to Edexcel at the earliest possible date and separately from the entry itself.

What else you should read

The following publications provide additional information that is directly relevant to the provision of NVQs:

	Publication Code
• <i>The Accreditation of Prior Learning (APL)</i>	80-092-0
• <i>Student Services Handbook</i>	revised annually
• <i>Recording Achievement for NVQs</i>	80-094-2

To order these publications, please contact:

Edexcel Publications
Adamsway
Mansfield
Nottinghamshire
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Where are the standards available from?

The standards have been produced by The Small Firms Enterprise Development Initiative, the National Training Organisation for NVQ Level 3 in Business Start-Up and are available from Edexcel Publications.

The standards have been written in a user-friendly way to give as much guidance as possible to candidates, assessors and centres. All centres **must** have a copy of the standards and these should be available to candidates, assessors and internal verifiers.

Section 6: The Assessment Strategy for the NVQ Level 3 in Business Start-Up

Introduction

The Small Firms Enterprise Development Initiative (SFEDI) is the standards setting body for those responsible for running their own businesses. It sees standards as a vital part of its role in supporting small businesses. Effective assessment is an important part of this role. SFEDI's view is that assessment of attainment of the standards should be focused on the performance achieved by the entrepreneur with documentation relating to their real business activities.

This assessment strategy has been developed to describe the principles of assessment within SFEDI's standards and qualifications for the self-employed, micro and small businesses.

In developing this strategy, SFEDI has worked closely with Awarding Bodies, Centres, candidates, verifiers and assessors to ensure that assessment meets the needs of the market place for valid, reliable, and practicable assessments against SFEDI standards.

Performance evidence

SFEDI's view of assessment is underpinned by three important principles about the nature of the evidence and the way it should be collected and recorded. These are:

- all evidence for the Business Start-up Standards should arise from the real activities involved in researching, planning and starting a new small business
- tangible outcomes - in the form of records, statements, plans and forecasts should be used whenever they are available
- the primary evidence for those starting up their own businesses should be in the Business Plan, supported by any relevant supplementary evidence.

It is generally accepted that good practice for those planning to start-up their own business should include the development of a business plan, which is complete and comprehensive for the business idea. Each of the Business Start-up elements identifies what the evidence should consist of and how it relates to the business plan, and it is clear from the guidance where the tangible outcomes referred to above can and should be supplemented by oral evidence given to the candidate's business adviser.

Each element of the standards for Business Start-up states what performance evidence is required.

Supplementary evidence

As well as producing their business plan, candidates will also produce evidence which supports its content but does not appear in it. Candidates need to record this supplementary evidence systematically so that its relationship to the business plan is clear, and also so that assessors and verifiers can be sure that all the required aspects of competence have been demonstrated.

Simulation

All of the elements for Business Start-up demand evidence from a real business that the candidate is intending to start up or has just started. Because it is expected that the evidence will be closely focused on the candidate's own business proposals, the use of simulation for assessment will not be necessary.

However, effective planning to meet the competence requirements will require scenario and forward planning which will mean the candidates may need to anticipate what is likely to happen in the future. For example, a cash flow forecast (*Unit 4: Work out what money you need*

to start the business and keep it running) should enable candidates to anticipate the financial state of the business after a given period of time. Market research (*Unit 5: Decide how you will sell and market your products and services*) should enable candidates to project potential sales figures.

Centres should ensure that the principles of assessment as stated in the assessment strategy are being followed, eg that both the content of the evidence and the process of its collection and assessment relate as closely as possible to relevant activities in the workplace and that such evidence is authentic.

Details of how candidates can project or anticipate outcomes of the business case (their primary evidence) is clearly stated in each element of the standards for Business Start-up.

External quality control of assessment

The external quality control of assessment is guaranteed by the ongoing use of the model of assessment which requires assessment, internal verification and external verification.

Independent assessment is defined as a means of applying external quality control of assessment. For the Business Start-up standards, the model of assessment used, acts as a form of independent assessment. Each candidate represents a unique and separate business organisation, being assessed by someone who is external to the business. Thus, these candidates benefit from assessment of their competence by an external, independent individual, and it is proposed to continue with this successful approach. This approach is also supported by the identification by SFEDI of the competence required for each person involved in the assessment process. For the assessment of those starting up their own business, SFEDI requires the following.

- **all** evidence will be generated in the context of a real business which the candidate is intending to set up
- occupationally competent assessors will assess **all** candidates.

The occupational competence of verifiers and assessors

Assessors for NVQs will be appointed by approved centres to assess candidate performance, and they will be fully qualified with D33 or working towards accreditation within a period of 18 months of commencing the role. All assessors must have enough business experience and occupational competence to enable them to make a valid judgement about the demonstration of competence in the area they will be assessing. They should be in a position to assess the candidate over a period of time and should ideally be in regular contact with the candidate.

Assessors for Business Start-up should also have at least 2 years practical small business experience.

Internal verifiers will be appointed by approved centres to ensure the quality and consistency of assessments within the centre, and, for NVQs, they will be fully trained and qualified to units D32, D33 and D34 or working towards accreditation within a period of 12 months of commencing the role. All internal verifiers must also have enough business experience and occupational competence to enable them to make a valid judgement about a demonstration of competence in the area they will be verifying. They must be in regular contact with the assessors and in a position that enables them to carry out the full scope of the verification role.

External verifiers for NVQs will be appointed by the relevant Awarding Body to monitor and assure quality and consistency of assessments within and between centres, and will be fully trained and qualified to unit D35 or working towards accreditation within 12 months of commencing the role. In addition, all external verifiers should have at least one of the following types of experience with a minimum of five years overall:

- extensive entrepreneurial experience in a profit-oriented business organisation with direct profit responsibility

- senior management experience in a profit-oriented business organisation, with profit or budget responsibility
- experience at senior level in a specialised business profession directly related to business management over a wide field of businesses.

Principles of assessment

The validity and reliability of the assessment process is vital. The assessment requirements have been designed to ensure that both the content of the evidence and the process of its collection and assessment relate as closely as possible to relevant activities in the workplace. This also meets the needs for practicality in assessment. The evidence specifications have been designed to ensure that they are fair to all candidates, and that all critical content is assessed.

Further, the design of the assessment and evidence requirements has taken into account the need to ensure authenticity of evidence. This is especially so for those starting up own businesses, and there is specific guidance to cover legitimate occasions when the real evidence has not been generated exclusively by the candidate. The acceptability of the assessment process as a fair and just indicator of occupational competence of candidates which does not place unnecessary burdens on them, is a cornerstone of SFEDI's approach to assessment.

Section 7: Key skills mapping

Successful completion of the Business Start-up qualification of:

- Unit 1: Check how successful your business idea will be
- Unit 2: Check your ability to run the business
- Unit 3: Check what law and other regulations will affect your business
- Unit 4: Work out what money you need to start the business and keep it running
- Unit 11: Develop the plan for your business

will give candidates the opportunity to provide evidence against the following Key Skills Units:

- Problem Solving Levels 2, 3 and 4
- Communication Levels 2 and 3
- Application of Number Levels 1 and 2
- Problem Solving Levels 2, 3 and 4
- Improving Own Learning and Performance Level 4

The detailed match and mapping for Key Skills is provided below. This should be read in conjunction with the relevant elements for Business Start-up and for Key Skills.

SFEDI Element 1.1	Key Skills	Element
	Problem Solving 2	2.1
	Problem Solving 3	3.1
	Communication 2	2.1a
	Application of Number 1	2.2
SFEDI Element 1.2	Key Skills	Element
	Problem Solving 2	2.1
	Problem Solving 3	3.1
	Communication 2	2.2
	Communication 3	3.2
	Application of Number 1	1.1
Application of Number 2	2.1	
SFEDI Element 1.3	Key Skills	Element
	Problem Solving 2	2.1
	Problem Solving 3	3.1
	Communication 2	2.2
	Communication 3	3.2
	Application of Number 1	1.1
	Application of Number 1	1.2
	Application of Number 2	2.1
Application of Number 2	2.2	

Continued overleaf

SFEDI Element 2.1	Key Skills	Element
	Problem solving 2	2.1
	Problem solving 3	3.1
	Communication 2	2.2
	Communication 3	3.2
SFEDI Element 2.2	Key Skills	Element
	Problem Solving 2	2.1
	Problem Solving 3	3.1
	Improving own learning and Performance	4.1
SFEDI Element 2.3	Key Skills	Element
	Problem Solving 2	2.1
	Problem Solving 3	3.1
	Problem Solving 4	4.1
	Communication 2	2.2
	Communication 3	3.2
	Improving own learning and performance	4.1
SFEDI Element 2.4	Key Skills	Element
	Problem solving 2	2.2, 2.3
	Problem solving 3	3.2, 3.3
	Application of Number 1	1.3
	Improving own learning and performance	4.2, 4.3
SFEDI Element 3.1	Key Skills	Element
	Problem Solving 2	2.1, 2.2, 2.3
	Problem Solving 3	3.1, 3.2, 3.3
	Communication 2	2.2
	Communication 3	3.2
SFEDI Element 3.2	Key Skills	Element
	Problem Solving 2	2.1,2.2, 2.3
	Problem Solving 3	3.1,3.2,3.3
	Communication 2	2.2
	Communication 3	3.2

Continued overleaf

SFEDI Element 3.3	Key Skills	Element
	Problem Solving 2	2.1,2.2, 2.3
	Problem Solving 3	3.1,3.2,3.3
	Communication 2	2.2
	Communication 3	3.2
SFEDI Element 4.1	Key Skills	Element
	Problem Solving 2	2.1
	Problem Solving 3	3.1
	Problem Solving 4	4.1
	Communication 2	2.2
	Communication 3	3.2
	Using Number 1	1.1,1.2,1.3
	Using Number 2	2.1,2.2
SFEDI Element 4.2	Key Skills	Element
	Problem Solving 2	2.1
	Problem Solving 3	3.1
	Problem Solving 4	4.1
	Communication 2	2.2
	Communication 3	3.2
	Application of Number 2	2.1,2.2,2.3
SFEDI Element 4.3	Key Skills	Element
	Problem Solving 2	2.1,2.2,2.3
	Problem Solving 3	3.1,3.2
	Problem Solving 4	4.1
	Communication 2	2.2,2.3
	Communication 3	3.2
	Application of Number 2	2.1,2.2,2.3
SFEDI Element 11.1	Key Skills	Element
	Problem Solving 2	2.1, 2.2, 2.3
	Communication 2	2.1a, 2.1b
	Communication 3	3.1a, 3.1b
	Application of Number 2	2.1, 2.2, 2.3

Continued overleaf

SFEDI Element 11.2	Key Skills	Element
	Problem Solving 3	3.1,3.2,3.3
	Problem Solving 4	4.1,4.2,4.3
	Communication 2	2.2,2.3
	Communication 3	3.2,3.3
	Improving own learning and performance 4	4.1,4.2

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