

**TO: Chief Executive Officers, Tertiary Education Organisations
New Zealand Diploma in Business Liaisons**

**ATTENTION: New Zealand Diploma in Business Programme Managers
Heads of Business and related departments
Lecturers of NZDipBus papers
Local Business Advisory Committees**

**New Zealand Diploma in Business: Request for feedback on reviewed
prescriptions 227 and 234, and a proposed change to prescription 631**

This tertiary circular:

- informs Tertiary Education Organisations (TEOs) of the review of prescriptions 227 (637) *Entrepreneurship and Venture Planning* and 234 (634) *Planning and Control*
- provides copies of the two review drafts and their rationale (Appendices I and II)
- requests feedback on the two drafts by **Monday 5 October 2009** (refer Appendix IV for feedback forms)
- proposes a change to prescription 631 *Strategic Planning for Small Business* (Appendix III).

Background

The New Zealand Diploma in Business (NZDipBus) is a nationally recognised qualification that allows students to gain a broad range of general business skills and knowledge. It leads to careers in a range of areas including accountancy, banking, management, marketing and tourism.

The New Zealand Qualifications Authority (NZQA) placed the NZDipBus qualification on the *New Zealand Register of Quality Assured Qualifications* (the Register) in December 2006 (see circular T2007/002).

As part of preparation for the registration process, most prescriptions were reviewed during 2005-2008. A review has taken place this year in relation to prescriptions 227 and 234.

Review of prescriptions 227 and 234

On 26 and 27 May 2009, four TEO representatives met with NZQA staff to review the 227 and 234 prescriptions and produce reviewed prescription drafts for consultation. The representatives were:

Name	Organisation
Beverley McNally	The Open Polytechnic of New Zealand
Graeme Martin	Christchurch Polytechnic Institute of Technology
Lou Van Es	Northland Polytechnic
John De Senna	ATC New Zealand

Attached are:

- rationales for the draft prescriptions (Appendix I)
- draft prescriptions 637 *Entrepreneurship and Venture Planning* and 634 *Planning and Control* (Appendix II).

Feedback is requested on these.

Prescription format

Information about the NZDipBus 400-600 prescription format is available on the NZQA website at: <http://www.nzqa.govt.nz/qualifications/tertqual/dipbus/400-600-prescriptions.html>

Proposed change to prescription 631 *Strategic Planning for Small Business*

The review draft for 637 *Entrepreneurship and Venture Planning* has a significant focus (45% weighting) on development of a business plan for a new venture. To prevent overlap with 631 *Strategic Planning for Small Business*, which requires development of a strategic and associated implementation plan for a small business, the review team is proposing a change to prescription 631 *Strategic Planning for Small Business*, assessment note two (refer Appendix III).

This change would prevent 631 *Strategic Planning for Small Business* students from producing a start-up document for a new business – assessment would need to focus on an existing business.

Feedback is requested on this proposal for prescription 631 *Strategic Planning for Small Business* as well as on the draft prescription for 637 *Entrepreneurship and Venture Planning*.

Responses and enquiries

Please send all feedback on the forms provided in Appendix IV and any enquiries by **Monday 5 October 2009** to:

Thomas Pilott
Tertiary Assessment and Moderation
NZQA
PO Box 160
WELLINGTON 6140

Phone: 04 463 3372
Fax: 04 463 3114
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Circulars are available from the NZQA website at:
<http://www.nzqa.govt.nz/publications/circulars/tertiary.do>

Linda Glogau
Manager
Qualifications Development and Tertiary Moderation

Appendix I – Rationales

Draft prescription – (227) 637 *Entrepreneurship and Venture Planning*

At the beginning (2004) of the project to place the New Zealand Diploma in Business on the New Zealand Register of Quality Assured Qualifications, the 227 *Entrepreneurial Planning* prescription was assessed by NZQA as being at level 5. It was agreed at that time that the prescription should be reviewed and approved at level 6.

Feedback received from the sector confirmed the need for the prescription to be reviewed rather than expired. It was identified that many businesses are lacking in the area of planning and that this is an important learning area for students intending to venture into small business. The feedback also identified that current prescriptions did not cover entrepreneurship and innovation concepts, and that the preparation of a business plan is a key skill.

The focus of the 227 prescription was on evaluation of the issues that arise when establishing or purchasing a small business. The focus of the 637 prescription is on in-depth analysis of entrepreneurs and entrepreneurial concepts, so students can identify opportunities and create a business plan for a new venture (as opposed to an existing business).

However, the review team recognised this would provide a significant overlap with 631 *Strategic Planning for Small Business* where the strategic plan could be the start-up document for a small business. The review team is therefore proposing that assessment note two in the existing 631 prescription be modified to state that the strategic plan must not be the start-up document for the business. Prescription 631, with proposed changes highlighted, is attached in Appendix III.

Title

The title has been modified to indicate that delivering a plan for a new venture created by students is a significant assessment outcome.

Aim

This has been re-written to reflect the new title and prescription content.

Prerequisites

Prescription 435 *Fundamentals of Small Business* or equivalent knowledge and skills is recommended (but not mandatory) as a prerequisite as it provides guidance on the base skills students will need to undertake assessment for prescription 637. Prescription 435 can be viewed on the NZQA website at:

<http://www.nzqa.govt.nz/qualifications/tertqual/dipbus/prescriptions-list.html>

Weightings

The weightings have been distributed to reflect the importance and time required to complete the related learning and assessment. The emphasis is on the preparation of a business plan.

Assessment notes

Assessment notes have been included to:

- clarify that the detail in the business plan should be appropriate for presentation to external parties
- emphasise that the plan should be for a new venture, and can be for profit or non-profit organisations.

Learning Outcome One – 20%

Learning outcome one from prescription 227 has been removed as this is covered in other prescriptions. Assessment criteria 1.3 and 1.4 from prescription 227 are considerations that can be covered by analysis in the new learning outcome four. A new learning outcome based on learning outcome two from prescription 227 has been written to reflect the depth of exploration expected. The key elements encourage investigation within and outside the learner's own community and culture and are not specific to New Zealand only.

Learning Outcome Two – 15%

Learning outcomes three and four and assessment criteria 6.1 from prescription 227 have been combined in this learning outcome. The learning outcome and key elements have been rewritten to ensure evaluation and recommendations are made at the level expected for level 6.

Learning Outcome Three – 20%

This is a new learning outcome requiring learners to explore the contemporary concept of 'social entrepreneurship'.

Learning Outcome Four – 45%

Learning outcomes six, seven and eight from prescription 227 have been combined and rewritten as one learning outcome. The key elements focus on the key components the business plan should include.

Draft prescription – (234) 634 Project Management

NZQA results data has shown extremely low usage of the prescription 234 *Planning and Control*, and the prescription was therefore left to expire on 31 December 2008. Feedback received from the sector supported the expiry of the prescription and identified that:

- content of the expired prescription is addressed in other prescriptions
- a reviewed prescription should have a focus on strategic planning/management at level 6.

It has also been recognised by the National Advisory Committee for Business Studies (NACBS) that there is a need for prescriptions in the areas of project/strategic planning/management.

There was not much feedback to guide the prescription review team other than agreement with the expiry of the prescription. The review team agreed that project management has become a strong industry focus, and that the planning and control areas of the expired prescription not already covered by other prescriptions could be used as the basis for a new prescription at level 6.

NZQA acknowledges that the draft prescription needs more work, but is seeking sector support (or otherwise) for a project management prescription at level 6 as well as feedback on the content of this draft.

Appendix II – Draft prescriptions

DRAFT PRESCRIPTION: 637 ENTREPRENEURSHIP AND VENTURE PLANNING

This prescription replaces prescription 227 *Entrepreneurial Planning*.

LEVEL	6
CREDIT	20
VERSION	1
INTRODUCED	2009
AIM	Students will explore, evaluate and apply concepts of entrepreneurship to a variety of situations and develop a plan for a new venture.
PREREQUISITES	Recommended 435 <i>Fundamentals of Small Business</i> or equivalent knowledge and skills.

ASSESSMENT WEIGHTINGS

Learning Outcomes	Assessment weighting %
1. Students will explore and reflect on the attributes of entrepreneurs in relation to concepts of entrepreneurship.	20 %
2. Students will, for two different given situations, evaluate a range of entry options, and recommend and justify one option.	15 %
3. Students will compare and contrast social entrepreneurship with just-for-profit ventures in relation to influencing factors.	20 %
4. Students will prepare a business plan for a new venture.	45 %
TOTAL	100 %

All learning outcomes must be evidenced: a 10% aggregate variance is allowed.

ASSESSMENT NOTES

1. The business plan will include the level of detail appropriate for presentation to external parties such as funding agencies and advisory groups.
2. The business plan will be for the establishment of a new venture and may be for a profit or a non-profit organisation.

LEARNING OUTCOME ONE

Students will explore and reflect on the attributes of entrepreneurs in relation to concepts of entrepreneurship.

Key elements

- a) Three contemporary theories or models.
- b) Attributes of one local entrepreneur.
- c) Attributes of two entrepreneurs from different cultures other than the one identified in b).

LEARNING OUTCOME TWO

Students will, for two different given situations, evaluate a range of entry options, and recommend and justify one option.

Key elements

- a) Range of entry options – must include any three of:
 - enterprise start up
 - franchise purchase
 - family business, one of:
 - inherited
 - purchased in full
 - shareholder.
 - existing enterprise purchase.

LEARNING OUTCOME THREE

Students will compare and contrast social entrepreneurship with just-for-profit ventures in relation to influencing factors.

Key elements

- a) Role of entrepreneurship in transformation:
 - societal
 - cultural
 - economic
 - environmental.

- b) Barriers to transformation:
 - who feels threatened by advocacy or lobbying
 - competitors.
- c) Key performance indicators.

LEARNING OUTCOME FOUR

Students will prepare a business plan for a new venture.

Key elements

- a) Profile of the organisation including purpose statements.
- b) Analysis:
 - environmental - internal and external
 - resourcing – finance, people and advisory services
 - feasibility.
- c) Implementation:
 - competitive strategy
 - operational plan
 - timelines and milestones.
- d) Evaluation of performance:
 - financial and non-financial key performance indicators.
- e) Exit strategy.

DRAFT PRESCRIPTION: 634 PROJECT MANAGEMENT

This prescription replaces prescription 234 *Planning and Control*.

LEVEL	6
CREDIT	20
VERSION	1
INTRODUCED	2009
AIM	Students will produce a project management plan using contemporary project management tools and techniques.
PREREQUISITES	530 <i>Organisation and Management</i> , and 550 <i>Business Computing</i> or equivalent knowledge and skills.

ASSESSMENT WEIGHTINGS

Learning Outcomes	Assessment weighting %
1. Students will demonstrate knowledge of project management components and their implications for managing a project.	15%
2. Students will use computer-based project planning and research tools to plan for a project.	15%
3. Students will evaluate cost, time and resource use for a project.	10%
4. Students will identify and discuss the outcomes of effective and ineffective relationship management on projects.	10%
5. Students will identify risk issues and risk management techniques to minimise risk the management of a project.	10%
6. Students will produce a proposal for management of a project suitable for presentation to senior management.	40%
TOTAL	100%

All learning outcomes must be evidenced: a 10% aggregate variance is allowed.

ASSESSMENT NOTES

1. It is envisaged that the student will create a project proposal which will be developed into a project management plan.

LEARNING OUTCOME ONE

Students will demonstrate knowledge of project management components and their implications for managing a project.

Key elements

- a) Benefits of project management.
- b) Components of a project:
 - project proposal
 - scope
 - stakeholders
 - physical and human resources
 - location
 - legislation
 - constraints.
- c) Project lifecycle.
- d) Project management process.

LEARNING OUTCOME TWO

Students will use computer-based project planning and research tools for a project.

Key elements

- a) Information systems.
- b) Contemporary management software.
- c) Work breakdown structures.
- d) Project communication strategy.

LEARNING OUTCOME THREE

Students will evaluate cost, time and resource use for a project.

Key elements

- a) Feasibility.
- b) Cost planning and control.
- c) Milestones.
- d) Key performance indicators.

LEARNING OUTCOME FOUR

Students will identify and discuss the outcomes of effective and ineffective relationship management on projects.

Key elements

- a) Project team building and leadership.
- b) Project relationship management.
- c) Internal and external stakeholders.

LEARNING OUTCOME FIVE

Students will identify risk issues and risk management techniques to minimise risk in the management of a project.

Key elements

- a) Scope change management.
- b) Project monitoring.
- c) Risk identification.
- d) Risk mitigation strategy.

LEARNING OUTCOME SIX

Students will produce a proposal for management of a project suitable for presentation to senior management.

Appendix III

The proposed change to assessment note 2 is highlighted

PRESCRIPTION: 631 STRATEGIC PLANNING FOR SMALL BUSINESS

This prescription replaces *215 Advanced Small Business Management*.

ELECTIVE PRESCRIPTION

LEVEL	6
CREDIT	20
VERSION	2
INTRODUCED	2006
AIM	Students will develop a strategic plan for a small business in New Zealand.
PREREQUISITES	Nil

ASSESSMENT WEIGHTINGS

Learning outcomes	Assessment weighting %
1. Students will determine the values, beliefs and vision for a small business to inform the strategic plan.	15
2. Students will conduct analyses to inform the strategic plan.	25
3. Students will determine the direction, goals, tactics and key performance indicators for a small business to inform the strategic plan.	25
4. Students will develop and present a strategic plan and associated implementation plan for a small business.	35
TOTAL	100

All learning outcomes must be evidenced; a 10% aggregate variance is allowed.

ASSESSMENT NOTES

1. It is assumed that the learning outcomes will be assessed in a progressive manner to ensure that students receive the necessary guidance for the final outcome.
2. The strategic plan can be developed at any stage of the life cycle of an already-existing business. It must not be the start-up document for a business. The strategic plan is used to develop guidance for future action. It must incorporate all issues surrounding a business and therefore it provides an opportunity for students to consider a wide range of small business issues.

3. Learning outcome four requires that the implementation plan show that the practical issues of putting the strategic plan into place have been considered.

LEARNING OUTCOME ONE

Students will determine the values, beliefs and vision for a small business to inform the strategic plan.

Key elements

- a) Values and beliefs:
 - ethics
 - social responsibility
 - life style preference.
- b) Vision statement.

LEARNING OUTCOME TWO

Students will conduct analyses to inform the strategic plan.

Key elements

- a) External:
 - environmental scan
 - opportunities and threats
 - trends.
- b) Internal:
 - strengths and weaknesses
 - organisational culture.
- c) Business life-cycle:
 - phase/stage identification.
- d) Critical success factors.

LEARNING OUTCOME THREE

Students will determine the direction, goals, tactics and key performance indicators for a small business to inform the strategic plan.

Key elements

- a) Direction.
- b) Goals.
- c) Tactics.
- d) Key performance indicators.

LEARNING OUTCOME FOUR

Students will develop and present a strategic plan and associated implementation plan for a small business.

Key elements

- a) Strategic plan:
 - values
 - vision
 - direction
 - goals
 - tactics
 - performance indicators.

- b) Implementation plan:
 - timing
 - milestones
 - dependencies
 - resources
 - provision for contingencies.

Appendix IV – Feedback forms

Draft 637 *Entrepreneurship and Venture Planning* prescription, and the proposed change to prescription 631 *Strategic Planning for Small Business*

Please provide feedback on this draft and the proposed change to prescription 631 *Strategic Planning for Small Business* (see question 10) by **Monday 5 October 2009**.

The identity of all respondents will be strictly confidential. It is essential that you read all the information contained within this circular before completing the questionnaire.

Draft prescription 637 *Entrepreneurship and Venture Planning*

1 Is the level assigned to the prescription appropriate?

<input type="checkbox"/>
<input type="checkbox"/>

Yes

No – please comment:

2 Are the recommended prerequisites appropriate?

<input type="checkbox"/>
<input type="checkbox"/>

Yes

No – please comment:

3 Is the aim clear in stating the objective of this prescription?

<input type="checkbox"/>
<input type="checkbox"/>

Yes

No – please suggest improvement:

4 Do the assessment notes provide clear, appropriate and sufficient assessment guidance?

<input type="checkbox"/>
<input type="checkbox"/>

Yes

No – please suggest improvement:

5 Are topic weightings distributed to enable sufficient coverage for important topics?

<input type="checkbox"/>
<input type="checkbox"/>

Yes

No – please suggest weightings, with justification:

- 6 After considering learning outcome one and the supplied rationale, is there anything further we should consider including or removing?

No
 Yes – please state and give reason(s):

- 7 After considering learning outcome two and the supplied rationale, is there anything further we should consider including or removing?

No
 Yes – please state and give reason(s):

- 8 After considering learning outcome three and the supplied rationale, is there anything further we should consider including or removing?

No
 Yes – please state and give reason(s):

- 9 After considering learning outcome four and the supplied rationale, is there anything further we should consider including or removing?

No
 Yes – please state and give reason(s):

Proposed change to prescription 631 *Strategic Planning for Small Business*

- 10 Do you agree with the proposed change to assessment note 2 in prescription 631 *Strategic Planning for Small Business* to state that the strategic plan should not be the start-up document for the business (refer prescription 637 rationale, Appendix I).

Yes
 No – please give reason(s):

Please return this form to:

Thomas Pilott
Tertiary Assessment and Moderation
New Zealand Qualifications Authority
PO Box 160
WELLINGTON 6140
Phone: 04 463 3372
Fax: 04 463 3114
Email: tam@nzqa.govt.nz

This feedback is due by **Monday 5 October 2009**.

Draft 637 Project Management prescription

Please provide feedback on this draft by **Monday 5 October 2009**.

The identity of all respondents will be strictly confidential. It is essential that you read all the information contained within this circular before completing the questionnaire.

1 Is the level assigned to the prescription appropriate?

<input type="checkbox"/>	Yes
<input type="checkbox"/>	No – please comment:

2 Are the recommended prerequisites appropriate?

<input type="checkbox"/>	Yes
<input type="checkbox"/>	No – please comment:

3 Is the aim clear in stating the objective of this prescription?

<input type="checkbox"/>	Yes
<input type="checkbox"/>	No – please suggest improvement:

4 Do the assessment notes provide clear, appropriate and sufficient assessment guidance?

<input type="checkbox"/>	Yes
<input type="checkbox"/>	No – please suggest improvement:

5 Are topic weightings distributed to enable sufficient coverage for important topics?

<input type="checkbox"/>	Yes
<input type="checkbox"/>	No – please suggest weightings, with justification:

6 After considering learning outcome one and the supplied rationale, is there anything further we should consider including or removing?

<input type="checkbox"/>	No
<input type="checkbox"/>	Yes – please state and give reason(s):

7 After considering learning outcome two and the supplied rationale, is there anything further we should consider including or removing?

No

Yes – please state and give reason(s):

8 After considering learning outcome three and the supplied rationale, is there anything further we should consider including or removing?

No

Yes – please state and give reason(s):

9 After considering learning outcome four and the supplied rationale, is there anything further we should consider including or removing?

No

Yes – please state and give reason(s):

10 After considering learning outcome five and the supplied rationale, is there anything further we should consider including or removing?

No

Yes – please state and give reason(s):

11 After considering learning outcome six and the supplied rationale, is there anything further we should consider including or removing?

No

Yes – please state and give reason(s):

Please return this form to:

Thomas Pilott
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PO Box 160
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This feedback is due by **Monday 5 October 2009**.