

1

Introduction to the Unit

this chapter covers . . .

The aim of this chapter is to summarise what you will be expected to do to provide the assessment evidence – including the ‘Project’ – required by Unit 10 ‘Managing Systems and People in the Accounting Environment’.

The chapter includes:

- *an overview of the Project writing process and the people it will involve*
- *the need to choose a workplace to form the context of the Project*
- *the way in which this textbook is structured and how it ‘works’*
- *the possibility of using an AAT Simulation when a workplace is not available*
- *an explanation of how the Project fits in with your studies*

assessment terminology: a note

Unit 10 can be studied as part of two alternative AAT assessment pathways: the NVQ route or the Level 4 Diploma. The content and assessment of the unit in both pathways is exactly the same, but the terminology used to describe the assessment is different:

In the NVQ route the unit is subdivided into two ‘elements’; in the Level 4 Diploma these are known as ‘learning outcomes’.

- the **NVQ route** requires competence in ‘performance criteria’ which are supplemented by a ‘range statement’
- the **Level 4 Diploma** includes all this information in ‘assessment criteria’ – there is no separate ‘range’ in the Diploma.

The Diploma ‘assessment criteria’ are effectively identical to the NVQ ‘performance criteria’, the only difference being that there are more of them as they incorporate the range items.

UNIT 10 REQUIREMENTS

A summary of the requirements for Unit 10 is set out in the Unit Commentary published by AAT. The Unit has two separate Elements (NVQ) or Learning Outcomes (Diploma):

- 1 Manage people within the accounting environment
- 2 Identify opportunities for improving the effectiveness of an accounting system

The Unit Commentary reads as follows . . .

This unit is about your role as a manager in the accounting environment, whether you are a line manager or are managing a particular function or Project.

The first element (learning outcome) requires you to show that you co-ordinate work activities effectively within the accounting environment. This includes setting realistic objectives, targets and deadlines and managing people in such a way that these can be met. You also need to show that you prepare contingency plans to cover a variety of problems that can reduce the likelihood of meeting objectives, targets and deadlines.

The second element (learning outcome) is about identifying weaknesses in an accounting system and making recommendations to rectify these. This involves identifying potential for misuse of a system, whether this is accidental (errors) or deliberate (fraud). You are also required to update the system, for example to comply with legislative requirements, and to check that the output is correct after the system has been updated.

In short, in an ideal world . . .

- the **first element** requires you to be familiar with managing an accounting system and knowing what to do when things go wrong
- the **second element** requires you to examine this accounting system, suggest how the system and its management can be improved, orally and in writing

But you probably do not live in an ideal world. It may be that you are a manager in an accounting environment, but it is statistically more likely that you are not, in which case you may well be asking yourself how this Unit relates to your situation and how on earth you are going to be able to provide the necessary evidence.

It is our aim in this book to give you guidance so that you will be able to produce this evidence, even if you are not a manager, not working in an accounting environment and maybe not even working at all.

The evidence will prove your competence in a variety of performance criteria and show that you have an acceptable level of knowledge and understanding for Unit 10. The evidence will take the form of:

- a 4,000 word Report (the ‘Project’) analysing an accounting system, identifying weaknesses, and recommending and evaluating solutions
- answers to written or oral questions on areas covered by the Unit requirements but not included in your Report

THE ‘PROJECT’

As you will have gathered, the basis of your assessment is a 4,000 word Report, often referred to as ‘The Project’. It is our aim in this book to make the writing of this Project as smooth and painless as possible. Once you have got over the initial barrier of staring at a blank piece of paper or a blank screen and wondering what you are going to write about, the process should be relatively straightforward. In most cases you will have people to help you both at your training centre and also at your workplace, and you also have this text to fill in the gaps in your knowledge and understanding.

The diagram on the opposite page shows you the processes that you will go through to successfully produce your evidence – to complete the Project and answer any extra questioning that is required. Please study it carefully and then read on. The notes that follow explain the diagram – literally from top to bottom.

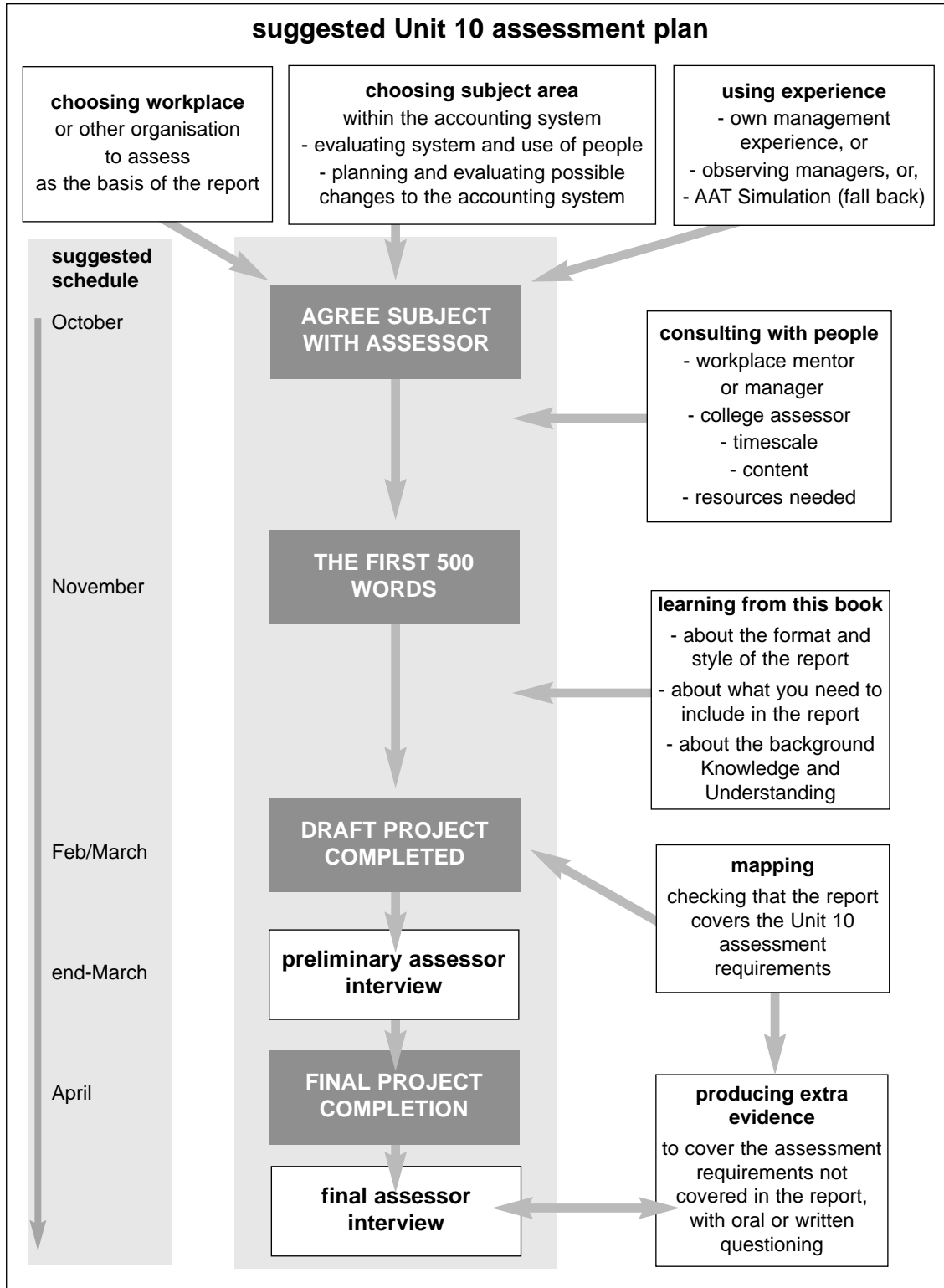
finding a ‘workplace’

One of the most difficult parts of writing the Unit 10 Project is making initial decisions. You will have to decide:

- what organisation (if any) you are going to use as a basis for your Project
- what aspect of that organisation you are going to write about

If you are an accounts manager, life is made easy for you, but if you are currently not working and are studying to get a qualification to enable you to work, the situation is more complex. The next chapter ‘What are you going to write about?’ covers this area in detail, but at this stage you should be aware that if you do not work in an accounting environment or at all, you can choose a workplace to study (possibly through a friend or family) or an organisation such as a club which has an accounting function.

If none of these options is open to you, there are AAT Simulations which can be used as a basis for your Project, but these should be used only as a last resort.



choosing a subject

The next choice is the subject of your Project. There is further guidance on this in the next chapter. In a nutshell, you will need to find an area in an accounting environment – eg payroll processing, paying suppliers, cash handling, job costing – which could be improved so that its processes become more efficient and less open to error and to fraud.

If you are in work, this should be straightforward, as you will have time to look around. If you are not in work, your training centre may be able to arrange for you to do work experience or to work shadow. Time for investigation will be more limited here, but you should be able to decide on a subject for the Project.

If you are not in work, or if work experience or work shadowing are not possible, you should then identify an organisation such as a club or local charity which will be able to help, or twist the arm of a friend or family member who has access to a workplace or organisation. An area for investigation in the accounting function can then be identified.

consulting with other people

It is important that, if you are in employment, you establish a relationship with a mentor (advisor) in the workplace who will be able to help you gather evidence and who will eventually be able to certify your work. This mentor might be a line manager or a more senior manager.

If you are not in work, you will have to find someone who is. This person will then become your ‘mentor’ and source of information.

You will also need to identify your assessor at your training centre. He or she should provide you with support, discussing with you the subject of your Project and monitoring its progress as you compile the evidence.

Whatever subject you choose, it should be agreed both with your employer or contact and also your assessor (eg your college tutor).

learning from the textbook

Unit 10 is often seen as a ‘difficult’ Unit and a stumbling block to completing your qualifications. This is understandable:

- a Project has to be written, with no subject given and often limited opportunity for gathering evidence
- the Project format may be unfamiliar and you may get ‘writer’s block’
- you are required to provide evidence of areas of Knowledge and Understanding to which it may be difficult to relate

It is the aim of the textbook to help you in all these areas by:

- explaining what is required in the Project
- explaining the format of a Project
- providing the necessary Knowledge and Understanding – eg an outline of the types of fraud, management theories
- providing questions which can be used to produce evidence for the Knowledge and Understanding requirements
- providing examples of actual Reports

It is therefore worth spending time to appreciate how the textbook is structured, so that you can make the most of its resources.

structure of this textbook

This textbook is divided into four separate sections:

1**INTRODUCTION TO THE UNIT**

- explaining the Unit requirements
- introducing the Project
- dealing with the performance/assessment criteria

2**THE PROJECT**

- choosing the subject
- explaining what the performance/assessment criteria require
- describing the report format and style
- outlining the report schedule

3**THE THEORY BEHIND THE PROJECT**

- coverage of the required Knowledge & Understanding
- questions which can be used to produce evidence

4**SAMPLE PROJECTS**

- examples of student reports

In order to make the most of the textbook, you should:

- start by reading Section 1, which introduces the Unit, and think about what workplace or other scenario you are going to choose which will form the basis of your Project
- study Section 2 ‘The Project’ which will explain about the format of the Project, help you to choose the subject to be covered and make sure that you understand the performance/assessment criteria to be tackled
- study Section 3 ‘The Theory behind the Project’ which will ensure that you cover all the Knowledge and Understanding requirements
- refer to Section 4 ‘Sample Reports’ which includes examples of a variety of student projects

time schedule

The diagram on page 5 suggests a time schedule (October to April) for the writing and the assessment of the Project – note the time line on the left-hand side of the diagram. This is only a suggestion, but it has been drawn up after consultation with a number of AAT teaching centres. We will cover the stages in the Project writing in detail in Chapter 3, but the important point to note here is that the writing and assessment process should ideally be completed by the end of April so that there is plenty of time for preparation for the June exams.

skills development

A question often asked about Unit 10 is ‘why?’

One of the reasons for the inclusion of the Project writing exercise is that it develops the type of **skills** that are expected of a qualification of this level. These skills will complement the ‘number-crunching’ and technical analytical skills that rightly dominate your studies. They include:

- **planning skills** – planning the research, writing and presentation of the Project, using time and other resources efficiently
- **research skills** – you will have to research an organisation, its products, and the way it deals with its customers, suppliers and competitors
- **analytical skills** – you will have to analyse an accounting system and the way in which it is managed
- **Project writing** – you will have to present a report in an accepted format and develop your written communication skills
- **oral communication** – you will be interviewed and questioned by your assessor a number of times on your Project in its various stages of writing and you should also discuss the Project and its recommendations with your workplace mentor

PRODUCING THE EVIDENCE

performance (assessment) criteria

The Project for Unit 10 involves two **elements** or **learning outcomes**:

- 1 Manage people within the accounting environment
- 2 Identify opportunities for improving the effectiveness of an accounting system

Coverage of the **performance criteria** (NVQ) or **assessment criteria** (Diploma) set out in these two elements (learning outcomes) is not as daunting as you might think. These are some of the criteria to be covered.

Performance/assessment criteria - in order to perform this element successfully you need to			
A	Plan work activities to make the optimum use of resources and to ensure that work is completed within agreed timescales		
B	Review the competence of individuals undertaking work activities and arrange the necessary training		
C	Prepare, in collaboration with management, contingency plans to meet possible emergencies		

Do not be put off by the criteria which state requirements such as 'Review the competence of individuals undertaking work activities and arrange the necessary training.' This relates to the possibility that you are a manager in an accounting office. It does not matter if you are not a manager in an accounting office or even if you are not working in an accounting office. In fact, it does not matter if you are not working. It is quite acceptable for assessment purposes if you discuss what you would do if you were placed in these situations.

As part of your work for this unit you will be required to '**map**' your coverage of these performance/assessment criteria on a checklist similar to the form shown above.

You will be asked to say how and where the assessment requirement has been met, either in the Project itself or by separate written questions or by questions in an interview with your assessor. If the evidence for the coverage of the assessment requirement is in the Project, you will be asked to provide the appropriate paragraph number from the Project.

There is a full list of the performance/assessment criteria on pages 20 to 26.

Knowledge and Understanding – the theory

The Unit specifications require coverage of the Knowledge & Understanding (K&U) which underpins the writing of the Project. For example, as shown below, you will need to gain a basic knowledge of the theories and principles of management:

Knowledge and understanding - to perform this unit effectively you will need to know and understand:				
10	Principles of supervision and delegation			
11	Principles of fostering effective working relationships, building teams and motivating staff			

Areas of Knowledge and Understanding such as these are covered in Section 3 of this book ‘The Theory behind the Project’, which provides the knowledge that you will need (see pages 47-59)..

AAT SIMULATIONS

As mentioned earlier, AAT produces Case Study Skills Tests which can be used as a basis for your Project, but these should be resorted to only if you cannot find a suitable workplace scenario.

The same principles for the production of evidence outlined above should be used with a Skills Test. You should treat the Case Study in the Skills Test as you would any workplace and discuss the progress of your Project with your assessor in exactly the same way.

There are no formal activities at the end of this chapter. Instead there is guidance about what stage you should have reached before moving on to the next chapter.



Student Guidance

guidance notes

- 1 Decide on the workplace you will use as a basis for your Project.
This should be chosen in the following order of priority
 - (a) your own workplace, if you have one
 - (b) a workplace you will be going to as part of a work placement scheme or work shadowing
 - (c) a workplace to which you can gain access through a friend or member of the family
 - (d) a club or an association to which you belong, which has an accounting system
 - (e) an AAT Simulation

- 2 If you have chosen from options (a) to (d) above, identify someone as a work 'mentor' who can help and advise you as you write the Project. This person might be your boss, but it could also be another employee who is in a position of responsibility who will be able to help and guide you with your Project writing.

- 3 Make a short-list of possible areas which you could make the subject of your report, ie parts of the accounting system which you think you can improve in some way by changing the method of management and operation. Use the next page to write down ideas if you wish. It is left blank for your ideas.

- 4 If you have chosen from options (a) to (d) in Note 1, start to collect information about the organisation, eg its history, products, customers, organisational structure. Make sure that the information you have collected is not confidential and that you have permission to use it in your Project should you want to.

The next section 'The Project' gives practical guidance on

- *choosing what to write about*
- *the format of the Project*
- *coverage of the performance/assessment criteria*
- *drawing up a schedule and targets for completion of the various parts of the Project*