



Oxford Cambridge and RSA

## OCR Level 7 NVQ Diploma in Management – Unit 16

Unit Title:	Outsource organisational processes (E17)
OCR Unit Number:	16
Unit Number	T/600/9744
Level:	6
Credit value:	8
Guided learning hours:	40

### Unit purpose and aim

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This unit will ensure that learners are able to: identify potential processes that can be outsourced, assess the impact of doing so, and identify vendors to outsource processes to, and undertake and monitor the outsourcing.

Learning Outcomes	Assessment Criteria	Exemplification
1 Be able to identify non-core processes within an organisation.	1.1 Analyse an organisation's activities and identify processes that can be outsourced.	This may include: <ul style="list-style-type: none"><li>• The vision, values and objectives of the organisation</li><li>• Stakeholder needs and expectations</li><li>• Legal and regulatory requirements governing operations</li><li>• The relationship and inter-dependency of functions within the organisation.</li></ul>
2 Be able to evaluate the implications of outsourcing non-core processes.	2.1 Evaluate and assess risks for outsourcing identified non-core processes. 2.2 Develop a business case for outsourcing non-core processes.	This may include: <ul style="list-style-type: none"><li>• Regulations governing the redeployment of staff</li><li>• Resource requirements and logistical implications</li><li>• The culture of the organisation and the potential impact on morale</li><li>• How to maintain and manage quality of provision</li><li>• How to develop contingency plans.</li><li>• Relevant influences for stakeholders</li><li>• How to calculate the true cost of retaining the function in-house.</li></ul>

Learning Outcomes	Assessment Criteria	Exemplification
3 Be able to identify a vendor to outsource non-core processes.	3.1 Draw up specifications and communicate to potential vendors. 3.2 Establish criteria for evaluating potential vendors. 3.3 Appraise potential vendors against criteria. 3.4 Select the vendor that best meets the criteria.	This may include: <ul style="list-style-type: none"> <li>Objectives of outsourcing and how to measure success or failure</li> <li>Their organisation's tendering process</li> <li>How to research the availability of vendors within the sector</li> <li>The working practices of other organisations within the sector</li> <li>How to gather information about the reputation of potential vendors.</li> </ul>
4 Be able to outsource non-core processes.	4.1 Develop a contract that meets legal & commercial requirements with the selected vendor. 4.2 Negotiate contract clauses to meet the interests of the organisation. 4.3 Produce plans to transfer agreed processes to the contracted vendor. 4.4 Communicate the outsourcing plans to stakeholders. 4.5 Transfer the agreed processes to contracted vendor.	This may include: <ul style="list-style-type: none"> <li>Sources of specialist advice and support, including legal</li> <li>What scope there is for negotiating with the vendor</li> <li>How to agree SMART objectives with the vendor (specific, measurable, achievable, realistic, time-bound)</li> <li>Channels of communication within the organisation, both formal and informal</li> <li>What support can be provided to those affected by the change</li> <li>Transitional arrangements which will ensure organisational performance/productivity is maintained.</li> </ul>
5 Be able to monitor and review the outsourcing of non-core processes.	5.1 Monitor and review the vendor's performance at agreed times, in line with agreed contract. 5.2 Agree changes to improve performance, in line with contractual agreements. 5.3 Produce a report on the effectiveness of outsourcing non-core processes.	This may include: <ul style="list-style-type: none"> <li>The importance of on-going review of activity</li> <li>How to gather reliable information which can be measured against the pre-determined criteria</li> <li>What to do if performance measures are not being met</li> <li>How to seek and evaluate feedback from stakeholders</li> <li>The importance of being objective when evaluating the outcomes.</li> </ul>

## Assessment

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This unit is centre assessed and externally verified. In order to achieve the unit you must produce a portfolio of evidence which will need to be made available to the OCR external verifier.

Portfolios of work must be produced independently and Centres must confirm to OCR that the evidence is authentic. Assessment must be based on naturally occurring evidence from the workplace.

## Evidence requirements

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In order to achieve this unit you must demonstrate that you have met all of the stated learning outcomes and the assessment criteria. Your assessor must be able to observe you in the workplace or you must provide tangible evidence of your real work activities. Simulation is not allowed for this unit.

## Guidance on assessment and evidence requirements

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You should consult with your assessor to agree the most appropriate sources of evidence available to you in your environment. Examples of possible sources of evidence are shown below but this is not a definitive list nor are the examples shown mandatory:

- reports you have written in respect of outsourcing
- business plans that you have presented to stakeholders
- tendering information and the responses you received
- notes of interviews with potential vendors
- records of performance monitoring in relation to key performance indicators
- feedback you have received from customers

## Details of relationship between the unit and national occupational standards

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This unit is based on the NOS produced by the Management Standards Centre (MSC)

Management and Leadership NOS unit E17, Outsource business processes

**NOS can be viewed on the relevant Sector Skills Council's website or the Occupational standards directory at [www.ukstandards.co.uk](http://www.ukstandards.co.uk).**

## Resources

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Stationery or a CD-rom.

Access to photocopier, PC and printer is desirable but not essential.

Access to sources of under-pinning knowledge such as websites, books, journals, etc, might be of help, but you are not expected to reproduce other people's written work. For example:

- The Outsourcing Institute [www.outsourcing.com](http://www.outsourcing.com)
- Outsourcing Journal [www.outsourcing-journal.com](http://www.outsourcing-journal.com)

## Additional information

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For further information regarding administration for this qualification, please refer to the OCR document '*Admin Guide: Vocational Qualifications*' (A850) on the OCR website [www.ocr.org.uk](http://www.ocr.org.uk)

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## Evidence Record Sheet

### Unit 16 Outsource organisational processes (E17)

I confirm that the evidence provided is a result of my own work.

Signature of candidate: \_\_\_\_\_ Date: \_\_\_\_\_

Evidence reference	Evidence title	Assessment method	LO1	LO2		LO3				LO4					LO5		
			1.1	2.1	2.2	3.1	3.2	3.3	3.4	4.1	4.2	4.3	4.4	4.5	5.1	5.2	5.3

I confirm that the candidate has demonstrated competence by satisfying all of the criteria for this unit.

Signature of assessor: \_\_\_\_\_ Name (in block capitals): \_\_\_\_\_ Date: \_\_\_\_\_

Countersignature of qualified assessor (if required) and date: \_\_\_\_\_

IV initials (if sampled) and date: \_\_\_\_\_ Countersignature of qualified IV (if required) and date: \_\_\_\_\_

(Page of )