



**Specification**

**Level 4**

**Sales and  
Sales Management  
Qualifications**

**Valid from 01.01.18  
Version 5**

**Ofqual regulated**

# ISM

The Institute of Sales Management (ISM) is the professional membership body for salespeople. Our mission is to promote standards of excellence in sales and enhance the status of sales as a profession.

ISM members are drawn from every sector of industry and commerce. From those just embarking upon a sales career through to senior and experienced sales managers and directors, they share a commitment to upholding the standards of professionalism and integrity that are all hallmarks of sales success. We are recognised by the English government regulatory body Ofqual as an awarding organisation to offer qualifications in Sales and Sales Management.

To find out more about what we do, visit our website at [www.ismprofessional.com](http://www.ismprofessional.com) .

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# Introduction

This booklet is to inform ISM learners and centres about the delivery and assessment of the ISM Level 4 qualifications on the Regulated Qualifications Framework (RQF). The latest version of this document will always be posted on the ISM website at [www.ismprofessional.com/qualifications](http://www.ismprofessional.com/qualifications). It should be read in conjunction with the Centre Guide which gives detailed guidance on running the qualifications in your centre. The Centre Guide is available on request at; [education@ismprofessional.com](mailto:education@ismprofessional.com)

## REGULATED QUALIFICATIONS FRAMEWORK (RQF)

The RQF provides a single framework for cataloguing all qualifications regulated by Ofqual.

There are eight levels of the RQF, underpinned by three 'entry' levels. A qualification's level indicates the difficulty and complexity of the knowledge and skills associated with the qualification.

The size of the qualification is determined by the estimated number of study hours both supervised and self-study a typical learner will need to achieve the qualification is expressed in terms of Total Qualification Time (TQT).

For further information on the RQF, please visit Ofqual's website:  
<https://www.gov.uk/find-a-regulated-qualification>

## Who are the qualifications aimed at?

The level 4 qualifications have been approved for use with the following age groups:

- 16-18
- 18+

Level 4 qualifications are Vocationally Related Qualifications designed for sales professionals in an operational sales role, often managing others and allocating resources. They cover the theoretical and practical sales and marketing knowledge and skills required by aspiring sales managers and practicing sales managers to enable them to succeed in the workplace.

We do not specify entry requirements for these qualifications, but centres are required to ensure that learners admitted to the programme have sufficient experience, aptitude and ability at the right level to undertake the learning and assessment.

# Qualification definitions

All qualifications on the Regulated Qualification Framework (RQF) have a 'size' which is expressed in terms of total qualification time (TQT). TQT is a guide for the total amount of time measured in hours that a typical learner would need to be able to evidence the level of achievement necessary for the award of a qualification.

There are three sizes of qualifications: Awards, Certificates and Diplomas. These are determined by the TQT required to achieve the qualification.

An Award has a TQT of between 10 and 120 hours, a Certificate has a TQT of between 130 and 360 hours and a Diploma has a TQT of 370 hours or more.

The terms Award, Certificate and Diploma do not describe qualification levels. It is possible to have an Award at level 5, for example, and a Diploma at level 3.

This specification details the ISM's qualifications at level 4. Other specifications are available for other levels.

## Unit definition

ISM qualifications are composed of one or more unit(s). A unit is defined as a coherent and explicit set of learning outcomes and assessment criteria with a title, credit value and level. The term 'unit' refers to a unit of assessment. ISM units share a common set of characteristics, are submitted on a template and can be combined to support the creation of coherent programmes of learning and qualifications.

## Delivering the qualifications

The ISM does not prescribe any method of delivery to training organisations, which are free to use any methods of delivery suitable to their learners. Methods may include open, distance, blended or online learning. In qualifications with more than one unit, units may be delivered and assessed in any order.

## Grading

Each unit and each qualification is graded Pass/Fail. A Pass confirms that the required criteria for achievement have been met. Where qualifications consist of more than one unit, the learner must pass each unit to pass the qualification.

## **Total Qualification Time (TQT) and Guided Learning hours (GLH)**

TQT is comprised of GLH which is under the immediate guidance of a trainer or supervisor including induction, face to face training, e-learning with the co-presence of learner and tutor, invigilated exams and non-supervised directed, private and online study and non-invigilated assessment. Qualifications can be delivered in a class room or through e-learning.

## **Credit**

Each ISM qualification has a Credit value. Credit is calculated by dividing the TQT by ten. For example a qualification with TQT of 120 hrs would have a credit value of 12.

## **Progression**

The qualifications provide opportunities for progression to other qualifications at the same or higher levels and they support learners in meeting the knowledge and skills requirements for employment within sales. A number of single-unit level 4 Awards can be built up over time to progress to the level 4 Certificate in Sales and Marketing or the larger level 4 Diploma in Sales and Marketing.

## **Language**

The qualification is offered in the medium of the English language.

# Level descriptor

This qualification has been designed to suit learners working towards a level 4 qualification. Level descriptors are divided into two categories:

- I. Knowledge and understanding
- II. Skills

There is a knowledge descriptor and a skills descriptor for each Level within the framework. The descriptors set out the generic knowledge and skills associated with the typical holder of a qualification at that Level.

For more information please follow this link to the Ofqual website:

[https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/461637/qualification-and-component-levels.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/461637/qualification-and-component-levels.pdf)

## Qualification overview

There are 10 ISM qualifications available at this level: 8 single-unit Awards, 1 composite-unit Certificate and 1 composite-unit Diploma. Units can be built up over time to contribute to the Certificate and Diploma.

The qualification titles given below are the titles as they will appear on the certificate when awarded to the learner. The qualification reference number is the number allocated to the qualification by Ofqual for regulation. Each unit also has a unique RQF unit number which can be found within the content of each unit in this specification.

Qualification title	ISM qualification code	Ofqual qualification reference number (QAN code)	Credit
Level 4 Award in Managing responsible selling	A401	600/1385/0	4
Level 4 Award in Understanding segmentation, targeting and positioning	A402	600/1386/2	5
Level 4 Award in Managing a sales team	A403	600/1387/4	6
Level 4 Award in Operational sales planning	A404	600/1398/9	5
Level 4 Award in Sales negotiations	A405	600/1400/3	5
Level 4 Award in Analysing the marketing environment	A406	600/1401/5	5
Level 4 Award in Finance for sales managers	A407	600/1152/X	7
Level 4 Award in Writing and delivering a sales proposal	A408	600/1402/7	4
Level 4 Certificate in Sales and Marketing Management	C401	600/1403/9	18
Level 4 Diploma in Sales and Marketing Management	D401	600/1404/0	41

## Unit overview

The following units are offered as single-unit Awards and within the Certificate:

Unit title	Unit level	ISM unit number	RQF reference number	unit	Credit	Assessment method(s)
Managing responsible selling	4	U401	D/502/9735		4	Work based evidence or assignment
Understanding segmentation, targeting and positioning	4	U402	H/502/9736		5	Work based evidence or assignment
Managing a sales team	4	U403	K/502/9737		6	Work based evidence or assignment
Operational sales planning	4	U404	M/502/9738		5	Work based evidence or assignment
Sales negotiations	4	U405	T/502/9739		5	Work based evidence or assignment
Analysing the marketing environment	4	U406	K/502/9740		5	Work based evidence or role play assignment
Finance for sales managers	4	U407	M/502/9741		7	Work based evidence or assignment
Writing and delivering a sales proposal	4	U408	T/502/9742		4	Work based evidence or assignment

# Rules of combination for composite qualifications

Unit combinations for qualifications consisting of more than one unit at this level are listed below.

The **Level 4 Certificate in Sales and Marketing Management** consists of a combination of units. To achieve the Certificate, learners must complete Units U401 and U402, worth 9 credits, and any two optional units worth a minimum of another 9 credits, totalling at least 18 credits.

The **Level 4 Diploma in Sales and Marketing Management** consists of a combination of units. To achieve the Diploma, learners must complete each of the eight units, totalling 41 credits.

## Level 4 Certificate in Sales and Marketing Management

Unit code	Unit title	Mandatory/ Optional	Assessment	Credit
U401	Managing responsible selling	Mandatory	Work based evidence or assignment	4
U402	Understanding segmentation, targeting and positioning	Mandatory	Work based evidence or assignment	5
U403	Managing a sales team	Optional	Work based evidence or assignment	6
U404	Operational sales planning	Optional	Work based evidence or assignment	5
U405	Sales negotiations	Optional	Work based evidence or assignment	5
U406	Analysing the marketing environment	Optional	Work based evidence or assignment	5
U407	Finance for sales managers	Optional	Work based evidence or assignment	7
U408	Writing and delivering a sales proposal	Optional	Work based evidence or assignment	4

## Level 4 Diploma in Sales and Marketing Management

Unit code	Unit title	Mandatory/ Optional	Assessment	Credit
U401	Managing responsible selling	Mandatory	Work based evidence or assignment	4
U402	Understanding segmentation, targeting and positioning	Mandatory	Work based evidence or assignment	5
U403	Managing a sales team	Mandatory	Work based evidence or assignment	6
U404	Operational sales planning	Mandatory	Work based evidence or assignment	5
U405	Sales negotiations	Mandatory	Work based evidence or assignment	5
U406	Analysing the marketing environment	Mandatory	Work based evidence or assignment	5
U407	Finance for sales managers	Mandatory	Work based evidence or assignment	7
U408	Writing and delivering a sales proposal	Mandatory	Work based evidence or assignment	4

# Assessment

All units will be internally assessed by the centre and externally verified by the ISM. No units are assessed by examination in these qualifications. Learners will need to show that they meet each of the assessment criteria detailed within each unit, to the required standard for the level of the unit. For further details on the assessment please refer to the ISM Centre Guide.

## Centre assessment staff

The centre is required to appoint at least one Assessor who is responsible for assessing the learning against the assessment criteria in the unit. The Assessor may be the teacher or trainer who delivers the learning.

The centre is also required to appoint an Internal Quality Assurer who is accountable for the verification of the all assessment decisions in the centre for the ISM qualification(s). The Assessor and Internal Quality Assurer roles must be carried out by different people. If your centre has difficulty finding a suitable person for the Internal Quality Assurer role please contact the ISM at [education@ismprofessional.com](mailto:education@ismprofessional.com) or phone 01582 227 801

## ISM assessment staff

An ISM-appointed External Quality Assurer is linked to the centre for the purposes of support, guidance and external verification. The External Quality Assurer checks that the centre is applying the correct standards and either approves the centre's assessment decisions or gives guidance until centre decisions are deemed to be accurate.

## Assessment routes

There are four possible routes to fulfilling the assessment criteria for each unit, and each route is equally valid:

- Route A is via Work Based Evidence
- Route B is via Model Assignment
- Route C is via Contextualised Model Assignment
- Route D is via Centre Devised Assignment

One route must be chosen per learner per unit. A centre with more than one learner may assess some learners through one route and other learners through another route at the same time or over a period of time. Learners taking qualifications consisting of more than one unit can provide evidence through one route for one unit and through other routes for other units. However, where the route chosen does not cover adequately some of the assessment criteria, evidence from other routes may be added to fulfil the assessment criteria.

Centres are asked to indicate which route(s) they intend to offer, when applying for ISM centre recognition. Model Assignments are provided on request.

## **Route A: Work Based Evidence**

This route is available for learners employed in sales who have the opportunity to produce work based evidence showing that they have met the assessment criteria through their employment. Evidence must be generated through their day to day work and may take any format, as long as it produces relevant tangible evidence which can be accessed by a third party.

Examples of types of evidence are:

- Witness statements
- Observations of performance in the work environment
- Learner statements
- Written evidence such as diaries, emails, reports, presentation slides
- Photos
- Video recordings
- Interview or viva voce
- Project documentation
- Verbal presentations

This list is not conclusive.

Work based evidence may be built up over time and assessment criteria in the unit can be 'ticked off' gradually until they are all met. At the time of assessment against the particular assessment criterion, evidence must be current i.e. produced within the past three years. Evidence must be authentic i.e. produced by the learner.

Work based evidence should be assessed holistically, and one piece of evidence may cover more than one assessment criterion. One piece of evidence may be used for assessment across different units and across different qualifications, provided it meets the relevant assessment criteria.

## **Route B: Model Assignment**

A Model Assignment is available for each internally assessed unit, which provides the learner with the opportunity to meet all the assessment criteria in the unit. The Model Assignment consists of one or more tasks, based on a fictional yet realistic sales situation. Centres are responsible for providing the Model Assignment to learners and for setting deadlines, monitoring progress and assessing learner work against the assessment criteria.

Centres use the ISM Model Assignment exactly as they receive it, with no amendments. The Model Assignment will be sent to centres on request.

## **Route C: Contextualised Model Assignment**

A Contextualised Model Assignment gives centres the opportunity of adapting the Model Assignment, to tailor it to the needs and interests of the centre or learners. For example the

centre may change the setting of the Model Assignment from a car sales situation to a pharmaceuticals sales situation. A Contextualised Model Assignment must enable learners to meet all of the assessment criteria for the unit and must be approved by the ISM in advance of issuing it to learners.

### **Route D: Centre Devised Assignment**

Centres can create their own Centre Devised Assignment from scratch using the ISM Assignment Template. A Centre Devised Assignment must enable the learner to meet all of the assessment criteria for the unit and must be approved by the ISM in advance of issuing it to learners. The assignment may consist of one or more tasks.

Centres choosing this route must ensure that each Centre Devised Assignment:

- permits the learner to meet all of the assessment criteria in the unit
- is relevant to the content of the unit
- has clear instructions to the learner as to what is expected
- has clear instructions to the learner regarding the duration of the assignment (if it is a timed activity), and what reference or other material they may use (if any) to complete it
- contains language free from any bias
- contains language and technical terms at the appropriate level for the learner

## **Recognition of Prior Learning and Achievement**

Within this suite of qualifications, learners have the opportunity to build their achievements from a single unit into a composite qualification. Learners may apply via their centre to claim for credit transfer and exemption where they have completed relevant units and qualifications from other Awarding Organisations. Credit transfer in the RQF will be based on confirmation of achievement of RQF units.

There will still be instances where learners will wish to claim recognition of prior learning which has not been formally assessed and accredited. In those instances, centres are free, after discussion and agreement with the ISM, to allow these learners direct access to the relevant assessment for the unit, without unnecessary repetition of learning. Details of the process for recording such RPL (Recognition of Prior Learning) are available from the ISM.

### **Centre approval**

Centres must pass through the ISM centre approval process to become an ISM Recognised Centre before offering any RQF qualifications. An application form is available on request; email [education@ismprofessional.com](mailto:education@ismprofessional.com).

## Support and guidance for centres

Each centre is allocated an ISM External Quality Assurer whose role is to support and advise all of the centres in the region as well as to verify assessment decisions. The External Quality Assurer will contact the centre at the Centre Approval stage so that support may start immediately.

A handbook is provided to centres to give guidance on administrative procedures.

Study guides tailored to each unit are available to support learners.

For up to date details of the above support, visit the ISM website at [www.ismprofessional.com](http://www.ismprofessional.com).

## Equality of opportunity

The ISM endeavours in setting the structure and content of our qualifications, and in its processes and arrangements for assessment and awarding, to:

- Ensure access and equality of opportunity wherever possible without affecting the integrity of the qualification
- Not create unnecessary barriers to achievement.
- Guarantee fair assessment for all candidates, including those with particular assessment requirements.
- Comply with the requirements of equalities legislation in force from time to time
- Ensure that it does not discriminate on the grounds of race, disability, gender and transgender, political or religious belief, age, marital/civil partnership status, sexual orientation, or on any other ground or status
- Ensure that all staff and associates are aware of the policy and receive adequate training to ensure its implementation and compliance

# Units

## Unit U401: Managing responsible selling

Unit aim				<p>This unit aims to cover the knowledge involved in managing an organisation's operations in ways that are consistent with its social and ethical principles, and which fulfil legal and regulatory requirements.</p> <p>For the purposes of this unit, 'organisation' can mean a self-contained entity such as a private sector company, a charity or a local authority, or a significant operating unit, with a relative degree of autonomy, within a larger organisation.</p>	
Level:	4	ISM Unit no.	U401	RQF unit reference no.	D/502/9735
Credit value			4	Guided Learning Hours	35
Mapping to National Occupational Standards			Sales NOS 7.7, 7.8		

Learning outcomes	Assessment criteria	Indicative Content
The learner will:	The learner can:	
1. Know legal, regulatory, ethical and social requirements pertaining to the sales function	1.1 Explain sales-related legal and regulatory requirements and Codes of Practice  1.2 Understand the principles of contract law and the penalties for misrepresentation  1.3 Analyse the potential impact of social and ethical concerns relating to the sales function  1.4 Explain how processes and policies in the organisation meet ethical and social requirements and comply with legal and regulatory requirements	<p>Detail of relevant requirements and explanation of implications to sales individual/teams.</p> <p>Discussion re. Offer and acceptance, intent, consideration, capacity, form of contract and legality.</p> <p>Highlighting the importance of trust and credibility; treating customers fairly and with respect.</p> <p>Explanation of necessity for all personnel to know and understand policies and procedures including information about how these comply with legal and regulatory requirements.</p>

<p>2. Understand how to manage the sales function in a way that complies with legislation</p>	<p>2.1 Describe how to ensure that sales employees have a clear understanding of the organisation's legal, regulatory, ethical and social policies and procedures and the importance of putting them into practice</p> <p>2.2 Explain how to monitor the way that legal, regulatory, ethical and social policies and procedures are put into practice</p> <p>2.3 Describe how to provide support to the sales team in putting legal, regulatory, ethical and social policies and procedures into practice</p>	<p>Outline of potential internal communication channels which can be used within a company to ensure information about policies and procedures are known and understood.</p> <p>. Discussion of role within company of appraisals, assessments, reviews and tests, which work together with relevant external stakeholder comments. Lead by example.</p> <p>Suggestions regarding coaching, expert helpers, mentoring and training which provide support and keep everyone up-to-date with procedures.</p>
<p>3. Know how to deal with non-compliance</p>	<p>3.1 Explain how to identify and correct any failures to meet the legal and regulatory requirements</p> <p>3.2 Explain how and when to provide full reports about any failures to meet requirements to senior management</p> <p>3.3 Explain how to monitor and manage complaints regarding legal, regulatory, ethical and social requirements</p>	<p>Conformity and non-conformity issues to be dealt with at management level through proactive and reactive responses, whilst recognizing denial is not an option.</p> <p>Emphasis on communication to ensure understanding of compliance issues, and the need for impartial documented evidence when appropriate to back up non-conformance incidences.</p> <p>Demonstration of company monitoring measures regarding compliance procedures.</p>

## Unit U402: Understanding segmentation, targeting and positioning

Unit aim			This unit aims to provide the knowledge necessary to understand the process of breaking down the total market for a product or service into distinct segments and target the most likely purchasers of an organisation's products using the extended marketing mix to support the positioning of the product		
Level:	4	ISM Unit no.	U402	RQF unit reference no.	H/502/9736
Credit value		5	Guided Learning Hours	40	
Mapping to National Occupational Standards			Sales NOS 9.1		

Learning outcomes	Assessment criteria	Indicative Content
The learner will:	The learner can:	
1. Understand segmentation in consumer and business markets	1.1 Explain how to define a market 1.2 Explain how to map a market and decide at which level to segment 1.3 Explain bases for segmentation in consumer and business markets	Explain how to quantify and set boundaries of a market Explain concept of market mapping. Outline segmentation hierarchy, detailing importance of choosing right level to segment at and the criteria for choice. Describe consumer market segmentation (geographic/ demographic/psychographic/ behavioural) and business market segmentation (demographic/ operating characteristics/ personal characteristics/ situational factors/ purchasing approaches).

	<p>1.4 Explain criteria for meaningful and measurable segments</p> <p>1.5 Explain the benefits of segmentation</p>	<p>Explain concept of viability and outline criteria used to measure if a segment is a viable target</p> <p>Discuss the benefits of segmentation including finance, brand, customer knowledge, efficient use of resources etc.</p>
2 Understand how to target market segments for an organisation	<p>2.1 Explain own organisation's business strategy and implications for target market</p> <p>2.2 Explain how to identify segments that are most likely to purchase an organisation's products</p> <p>2.3 Explain a system to assist targeting, based on objective criteria and including a weighting and scoring mechanism</p>	<p>Introduce organisation's goals and objectives and overall segmentation strategy. Look at need to adapt targeting choices and marketing mix as an influence on target segment choices.</p> <p>Explain sources of data and market research to identify viable segments.</p> <p>Outline possible quantitative approaches to qualifying segments. Explain a tabular approach to prioritising.</p>
3 Understanding the process of positioning a product	<p>3.1 Explain positioning in the context of own organisation's brand values</p> <p>3.2 Explain how the elements of the extended marketing mix are used to support product positioning</p> <p>3.3 Explain positioning problems</p>	<p>Explain the concept of brand attributes and how these can be plotted on a perceptual map.</p> <p>Demonstrate how each of the 7 p's may be adapted to target a diverse range of segments.</p> <p>Possible positioning problems include under-positioning, over-positioning, confused positioning and doubtful positioning.</p>

	<p>3.4 Explain the particular challenges of repositioning</p> <p>3.5 Explain how to de-position competitors</p>	<p>Challenges in repositioning include understanding appropriate new position, costs of repositioning, dis-association from current products</p> <p>Give examples of how a market-place competes for market space.</p>
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## Unit U403: Managing a sales team

Unit aim			This unit aims to provide knowledge of motivation theories and the link between motivation and performance, and knowledge of managing sales team performance. It also aims to provide knowledge for recruiting and selecting members of the sales team.		
Level:	4	ISM Unit no.	U403	RQF unit reference no.	K/502/9737
Credit value			6	Guided Learning Hours	50
Mapping to National Occupational Standards			Sales NOS 4.4, 4.8		

Learning outcomes The learner will:	Assessment criteria The learner can:	Indicative Content
1. Understand theories of motivation and the link between motivation and performance	1.1.Explain theories of motivation  1.2.Explain the link between motivation and performance	Introduce Maslow's (1943) Hierarchy of 5 needs; Herzberg's motivation-hygiene theory that motivation and hygiene factors determine whether someone is satisfied in their work; and Vroom expectancy theory.  Discuss the link between motivation and performance and job satisfaction. Understanding Herzberg's ideas and models like Hackman and Oldham's (1980) help link performance increase with meaningful work, responsibility, and knowing results of efforts.
2. Understand how to manage sales team performance	2.1 Explain the need to monitor sales team performance	Using the phrase "What gets measured gets done" explain how monitoring team performance is essential for continual improvement. This can be done by tracking progress against targets,



	<p>2.7 Explain how other people or teams in the organisation may impact sales performance</p>	<p>development, talent management, mentor/coach, incentivisation, commission, bonuses, and performance-related pay.</p> <p>Describe how Sales acts as a conduit – promises are made to the customers that are implemented by the operations. Adverse variance from Perfect Order can impact repeat sales dramatically and impact performance.</p>
<p>3. Understand how to manage staffing levels in a sales team</p>	<p>3.1 Explain how to review staffing levels in the light of organisation's strategy and budgets</p> <p>3.2 Explain the recruitment and selection process for sales people in own organisation</p> <p>3.3 Explain how to develop a job profile for a sales person</p> <p>3.4 Explain how to develop a person specification for a sales person</p> <p>3.5 Describe how to contribute to selection interviews</p>	<p>Staffing levels need to be reviewed as part of company strategy and budgets. Resources are allocated according to the strategic priorities of the organisation and are monitored and evaluated. Adverse variance from targets may mean that staffing levels will be reduced in that area, conversely favourable variance may mean staffing levels are increased.</p> <p>Sales personnel should be involved in the recruitment and selection process, including defining the role, attracting applications, managing the application and selection process, and making the appointment.</p> <p>Explain the way in which a job profile and person specification can clarify the necessary and desirable criteria for selection, which may be a combination of qualifications and experience. This will outline the role and responsibilities of the candidate.</p> <p>The person specification is different from the job profile in that it should identify the competencies candidates should possess</p> <p>At the selection interviews, sales personnel should be involved in describing the job responsibilities, assessing candidates' abilities and discuss details like benefits;</p>

		contracts; etc. whilst giving a positive impression of the organisation.
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## Unit 404: Operational sales planning

Unit aim				This unit aims to provide the skills necessary for putting together an operational sales plan, and the knowledge for managing the implementation of the plan and for dealing with variances to the plan.	
Level:	4	ISM Unit no.	U404	RQF unit reference no.	M/502/9738
Credit value			5	Guided Learning Hours	45
Mapping to National Occupational Standards			Sales NOS 2.4		

Learning outcomes The learner will:	Assessment criteria The learner can:	Indicative Content
1. Understand how own organisation's business and marketing strategies inform operational sales planning	1.1 Describe how own organisation's business and marketing strategies inform operational sales planning	Consider long, medium and short term planning and demonstrate the link to strategic, tactical and operational plans together with the focus of each type of plan
2. Understand sales forecasting techniques	2.1 Describe how historical sales data informs sales forecasts 2.2 Explain a range of sales forecasting techniques 2.3 Describe how sales forecasts are used to set sales objectives and targets	Consider business functions that the sales plan effects and the consequences of bad planning and execution.  Review qualitative and quantitative approaches to forecasting.  Show the linkage to target markets and how forecasts can be made more granular
3. Be able to set objectives and targets in a sales plan	3.1 Develop a time plan for the establishment of objectives and targets for sales plans	Demonstrate how the plan needs to fit with the financial year and

	3.2 Use sales forecasts to set objectives and targets for a sales plan	<p>how it can be broken into smaller time periods to aid execution.</p> <p>Show how activities such as call rate, leads etc. are linked to the sales forecast and objectives</p>
4. Be able to write an operational sales plan	<p>4.1 Write an operational sales plan to meet objectives and targets</p> <p>4.2 Specify and allocate sales territories</p> <p>4.3 Write a business case to obtain the resources to achieve the operational sales plan's objectives and targets</p>	<p>Work through the objectives, strategy, tactics, actions and controls within a sales plan</p> <p>Understand the considerations and implications on a range of territory design methods</p> <p>Consider the structure of a business case including context, objectives, needs, criteria, risks, options and timescales</p>
5. Understand how to manage the implementation of the operational sales plan through the sales team	<p>5.1 Explain how to communicate the operational sales plan to all stakeholders and define individual roles and targets in the sales activity plan</p> <p>5.2 Explain how to monitor and control the operational sales plan using agreed key performance indicators</p>	<p>Demonstrate the linkage to all the functions within a business and how they will use the sales plan to plan and act themselves. Also show how they can contribute to the sales plan development process.</p> <p>Understand a range of performance measures that breaks the overall performance into subsections such as sales levels, margins, and call rates. Customers gained and lost.</p>
6. Understand how to deal with variances to the operational sales plan	<p>6.1 Describe variances that may occur in the implementation of the operational sales plan</p> <p>6.2 Identify contingency plans to address variances</p> <p>6.3 Explain the organisation's procedure for dealing with unforeseen variances</p>	<p>Decide on when a variance should be explored, including the concept of tolerances, and what types of variances exist. Link to previous section AC 5.</p> <p>Show the process of developing contingency plans and how this is similar to risk analysis.</p> <p>Understand the range of activities that can be used to take corrective action such as redeployment, increased effort, divestment etc.</p>



## Unit 405: Sales negotiations

Unit aim				<p>This unit aims to provide the knowledge and skills for negotiating effectively in sales settings. The unit focuses on the various stages of negotiation including planning, preparing, negotiating and closing sales negotiations with customers.</p> <p>The unit covers establishing customer requirements and your organisational objectives, clarifying the customer's understanding of the proposal and coming to an agreement that is mutually acceptable.</p>	
Level:	4	ISM Unit no.	U405	RQF unit reference no.	T/502/9739
Credit value			5	Guided Learning Hours	45
Mapping to National Occupational Standards			Sales NOS 7.5		

Learning outcomes	Assessment criteria	Indicative Content
The learner will:	The learner can:	
1. Understand what is involved in a sales negotiation	<p>1.1 Describe how to assess own organisation's negotiating power and stance</p> <p>1.2 Describe how to research and assess the customer's negotiating power and likely stance</p>	<p>Outline what negotiation is, its purpose and context in the sales cycle.</p> <p>Types of negotiation include, bartering and haggling, hard bargaining, dealing and concession trading.</p> <p>Address how power is achieved, the strength of your case or offer. Cover emotional, personality traits and skills that effect commitment. Techniques to uncover these include direct questioning and secondary research.</p>

	<p>1.3 Explain the types of customer objections that might arise and how to handle these</p> <p>1.4 Explain the concept of 'win-win' in Sales situations and how this is achieved and managed during sales negotiations</p> <p>1.5 Explain what happens when a 'win-win' is not achieved</p> <p>1.6 Explain why it is important to record and confirm details of a sales negotiation and the method to do this in own organisation</p>	<p>Types of objections that need to be overcome include real objections, imagined objections and hidden objections.</p> <p>Win-win negotiations are when outcome is mutually acceptable. Address what this could look like.</p> <p>Address win-lose and lose-lose scenarios.</p> <p>Address information sharing benefits, CRM systems, and contractual implications.</p>
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<p>2. Be able to prepare for a sales negotiation</p>	<p>2.1 Identify the customer's main requirements from a negotiation</p> <p>2.2 Research and assess the bargaining power of the customer to identify their overall negotiating stance</p> <p>2.3 Identify personal and organisational weaknesses that could be exploited by the customer in a negotiation and prepare strategies for responding</p> <p>2.4 Research main competitor strengths and weaknesses</p> <p>2.5 Define objectives for the negotiation and identify own organisation's desired outcomes</p> <p>2.6 Assess the resource requirements for the sales negotiation</p>	<p>Consider both internal factors to the company and external factors relating to the customer, competition and market.</p> <p>Know your breakpoints and your customers' objectives as well as decision making boundaries Cover range of "value" items used in negotiations.</p> <p>Bargaining power assessment is achieved through questioning, research, reference to records, networking and observation during negotiation.</p> <p>Understand negotiation style including competitor, collaborator, compromiser, pleaser and avoider.</p> <p>Areas of weakness include preparation, organisation structure, your offer, confidence, capabilities, level of control, use of body language and stress Sources of information include the internet, company reports and networking.</p> <p>Areas to consider are motives, personnel, price and products or services offered. Consider Breakpoints, ZOPA, anchoring and BATNA</p> <p>Resources major on manpower and finance related to research, preparation and the actual negotiation.</p>
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	<p>2.7 Identify key variables and set parameters for them including potential concessions and trade-offs</p> <p>2.8 Cost the variables, including potential concessions and trade-offs, in order to identify the best price and terms for your organisation as well as the minimum price and terms acceptable to own organisation</p> <p>2.9 Identify potential problems that could arise during the negotiation and how you will formulate solutions to overcome them</p>	<p>Understand the concept of trading value Provide tips on making concessions. Never concede, trade. Carefully identify tradables.</p> <p>Consider true financial cost of items (including desired margin/profit) as well as customer perceived value.</p> <p>Consider areas such as clash of personalities, decision making capacity and priorities.</p> <p>Methods to address the problems include composure, communications style, tactics used and level of control.</p>
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<p>3. Be able to carry out a sales negotiation with a customer</p>	<p>3.1 Create a 'win-win' situation during the negotiation by balancing the needs of own organisation with those of the customer</p> <p>3.2 Agree on the terms and conditions for the supply of the product or service</p> <p>3.3 Record, store and confirm outcomes of the negotiation both internally and with the customer</p> <p>3.4 Evaluate the outcomes of the negotiation using a Win/Loss analysis</p>	<p>Guidelines include de-personalise, understand needs and interests, focus on needs not position, find common ground, make an agreement.</p> <p>Also consider personalities and style, pace and time, environmental layout and documentation.</p> <p>In order to get a deal you can reframe statements positively, respond don't react, refocus on the main issues, give and receive proposals, focus on your proposal, make an offer specific, stay relevant to the deal, avoid goodwill concessions, know your rights, maintain control, build rapport, make a power statement, have an opening position, don't offer first, open extreme, maintain control, have patience, use and read body language, listen and use silence, use intransigence and take small steps, emphasise positive achievements, work within breakpoints, use blocking/stalling/developmental tactics.</p> <p>Cover legal requirements of contract.</p> <p>Cover the benefits of recording, storing and confirming the deal and methods by which this can be done.</p> <p>Address post negotiation review with customer when the outcome is win/lose.</p> <p>Consider observation, questionnaires and interviews. Understand the reasons to walk away from a deal.</p>
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## Unit 406: Analysing the marketing environment

Unit aim				This unit aims to provide the skills necessary to monitor and evaluate trends and developments inside and outside the organisation that impact on business and sales activities. The unit covers the need to identify and prioritise the strengths and weaknesses of the organisation and the opportunities and threats it faces, and to recommend actions to address the impact on the sales function.	
Level:	4	ISM Unit no.	U406	RQF unit reference no.	K/502/9740
Credit value			5	Guided Learning Hours	45
Mapping to National Occupational Standards			Marketing NOS 1.1.1, 1.1.3		

Learning outcomes	Assessment criteria	Indicative Content
The learner will:	The learner can:	
1. Be able to conduct an audit of an organisation's internal, micro and macro environment	1.1 Conduct an audit of the internal environment using an analysis tool	Internal audit comprises of a resource audit and a competencies audit. The resource audit will assess the quantity; nature; uniqueness of resources. Resources include: physical resources like equipment and its condition; human resources, people and skill sets; financial resources management of cash; credit and debit and intangibles like brand strength. Competencies analysis involves conducting a Porter's (1980) value chain analysis and explaining the activities that underpin competitive advantage and how core competencies can be

	<p>1.2 Conduct an audit of the micro environment using an analysis tool</p> <p>1.3 Conduct an audit of the macro environment using an analysis tool</p>	<p>built focusing on cost and value added. An alternative approach is to conduct a 5 M's analysis: by auditing Manpower; Machinery; Materials; Methods and Money.</p> <p>Micro-environmental audit involves conducting a Porter's five forces analysis. This analysis considers the micro-environment in terms of industry rivalry (competition); power of buyers (to drive down price or other demands); power of suppliers (in negotiations); substitute products and threat of new entrants. In addition analysis of customers and competitors using more general approaches other than 5 forces</p> <p>Macro environmental analysis focuses on auditing those factors outside of the organisation's control and influence. It involves conducting a PEST; SLEPT or PESTLE analysis, these acronyms amount to considering the same key elements: political factors; economic factors; social factors; technological factors; legal factors and environmental factors. It should not be an abstract analysis but focus on the factors that could have a positive or negative implication on the organisation's strategy.</p>
<p>2. Understand the impact of internal, micro and macro factors on own and customer's organisation</p>	<p>2.1 Explain the impact of internal capabilities on own organisation's positioning in the market</p>	<p>The internal audit will facilitate benchmarking of performance with competitors and the importance of the capability to the customer. This enables the identification of which</p>

	<p>2.2 Explain the impact of industry dynamics on own and customer's organisation</p> <p>2.3 Explain the impact of macro factors on own and customer's organisation</p>	<p>factors are order-winning; order qualifiers or less competitive factors. The actual capability to be reviewed for its alignment with the market expectations and competitor performance.</p> <p>Industry dynamics have an impact on how the organisation can compete with rivals and substitutes. Industry dynamics can shift dramatically over time. It also impacts the power in negotiation with suppliers and customers. The product lifecycle is also an indicator for how industry dynamics can shift as the product moves from introduction; growth; maturity to decline.</p> <p>Macro factors are not under the control of the organisation but can have a major impact on their performance. Changes in legislation; consumer behaviour; technology; etc. have to be monitored for their potential to be exploited or for plans to be made to manage their effect. Customers will also face these external factors and helping them deal with them can create increased business opportunities. McKinseys 7 S framework will be used to assess the impact on the organisation as a whole.</p>
<p>3. Be able to recommend actions for the sales function by conducting a SWOT analysis on own organisation's marketing environment</p>	<p>3.1 Derive information and intelligence by conducting a relative SWOT analysis on own organisation's marketing environment using findings from the audits</p>	<p>SWOT - The analysis conducted during the audit phase should be synthesised to identify the major points. The approach should draw out the key strengths and weaknesses of the organisation identified in the internal audit.</p>

	<p>3.2 Analyse the impact of own organisation's SWOT on the sales function</p> <p>3.3 Recommend actions to address the impact of own organisation's SWOT on the sales function</p>	<p>Furthermore, from the micro and macro environment analysis the key opportunities and threats should be drawn out.</p> <p>The concept of converting and matching will be covered as will the summation of all information in the form of key issues to address</p> <p>SWOT analysis can give the sales team insights into the whole organisation and its environment. The SWOT analysis is most powerful when it is used to review what needs to be done and to formulate sales strategies. Attacking strategy can be formulated which leverage strengths to maximise opportunities. Furthermore, weaknesses can be countered by exploiting opportunities which builds strengths. Defensive strategies can be drawn up to leverage strengths to minimise threats. Finally strategies to counter weaknesses and threats need to be built up to build strengths. Therefore, the SWOT analysis can be a key input to formulating a sales action plan. Kotlers model of attack and defence strategies will be used.</p>
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## Unit 407: Finance for sales managers

Unit aim				<p>This unit aims to introduce the knowledge and skills needed to calculate profitability and also to assess customer creditworthiness with the view to formalising the terms of trade with the customer.</p> <p>It also aims to provide the knowledge to set and manage a sales budget for a defined area of sales activity or the whole sales function. It involves knowing how to prepare, submit and agree a budget for a set operating period. It also involves knowing how to set bonuses for sales team members.</p>	
Level:	4	ISM Unit no.	U407	RQF unit reference no.	M/502/9741
Credit value			7	Guided Learning Hours	60
Mapping to National Occupational Standards			Sales NOS 3.2, 3.3		

Learning outcomes	Assessment criteria	Indicative Content
The learner will:	The learner can:	
1. Be able to calculate profitability ratios for sales-related decisions	1.1 Calculate gross profit margin 1.2 Calculate net profit ratio 1.3 Explain the difference between margin and mark-up and when each of these are used in practice 1.4 Calculate return on capital employed	<p>For each of the four calculations</p> <p>Include formula, where data comes from and an example. Also include different interchangeable terminology.</p> <p>State that for measure to be meaningful it needs a comparator that is time/industry or expectation based.</p> <p>Understand what are result "norms".</p>

<p>2. Know how to set a sales budget</p>	<p>2.1 Identify different methods used for setting budgets</p> <p>2.2 Explain how to establish information needs and identify information sources for setting a sales budget</p> <p>2.3 Describe the different approaches to effective consultation and negotiation when setting a sales budget</p> <p>2.4 Explain how to develop budget frameworks</p> <p>2.5 Explain how to set a contingency plan for variances to a budget</p>	<p>Define what a budget is and its use as a planning and variance analysis tool.</p> <p>State the inputs for a budget including forecasts, experience and past performance.</p> <p>Methods for setting budgets include affordability, judgement, % of sales, competitive parity and objective &amp; task.</p> <p>Information requirements are dependent upon the budget type and scope. Data includes forecasts, expenses and time periods.</p> <p>Consider also organisation scope and structure.</p> <p>Approaches to consultation include email, document review, telephone, meetings, intranet and routine communications.</p> <p>Discuss excel as a tool.</p> <p>Address the budget hierarchy and the structure of periods being monitored e.g. yearly, quarterly, monthly, and weekly.</p> <p>Include details on the calculations/formula used to evaluate each period results against the plan.</p> <p>Discuss the concept of variance analysis and how to develop and implement a contingency plan including tolerances, investigation approach, communications of actions emanating.</p>
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<p>3. Understand how to manage a sales budget</p>	<p>3.1 Explain how to use the budget to monitor and control performance against budget parameters</p> <p>3.2 Explain how to identify the causes of variances between budget and actual expenditure</p> <p>3.3 Explain how to implement the actions needed to deal with the causes of variances between budget and actual expenditure.</p> <p>3.4 Explain how to provide information on performance against the sales budget to others in the organization</p> <p>3.5 Explain how to monitor the sales budget to identify unethical practice or potential fraud</p>	<p>Discuss the uses of coordination, monitoring &amp; control, communication of objectives.</p> <p>Address some of the outcomes of the monitoring process, how often the budget is reviewed and to whom this should be communicated in an organisation.</p> <p>Causes of variance include inaccurate forecasting and under/over performance.</p> <p>Cover also the nature/pattern of variance and what causes this.</p> <p>The process of implementing actions to deal with variance is identify extent &amp; nature and evaluate, confirm cause of variance, agree corrective action &amp; time-scales, review corrective action has fixed variance.</p> <p>Address the factors that dictate how and what information is communicated.</p> <p>Understand the modes of communication including reports, meetings and published financial documents as part of the overall management information system.</p> <p>Define examples of unethical practices such as misrepresentation, customer inducements, favouritism, misuse and false reporting.</p>
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<p>4. Understand bonus systems for sales team members</p>	<p>4.1 Explain how to evaluate the need for a bonus system</p> <p>4.2 Explain how to choose bonus options for sales team members</p> <p>4.3 Explain methods of setting bonuses</p> <p>4.4 Explain how to calculate the cost of bonuses</p> <p>4.5 Explain how to negotiate bonuses with sales team members</p> <p>4.6 Describe how to evaluate the effectiveness of a bonus system</p>	<p>Contextualise bonuses as a motivational tool and the benefits of such, including staff attraction, retention and performance motivation.</p> <p>Discuss the options available of a bonus system such as team/individual based and the payment proportion of total income. Link this to the role of a range of sales personnel.</p> <p>Ensure that bonuses are affordable, SMART and act as effective motivators. Discuss bonus threshold, performance levels required and stretch capability. Move on to consider hurdle rates, multipliers and time periods for payments</p> <p>Incorporate cost calculation in the sales budget calculation using appropriate methodology.</p> <p>Negotiation requires and understanding of performance criteria required, conditions required for achievement and tracking method. State that bonus is discretionary and communicate that variables such as territory &amp; customer volume/type can affect bonus. Involve sales team in development and system implementation to gain buy-in.</p> <p>Evaluate against the objectives of the bonus system and how it effects performance levels</p>
<p>5 Understand how to assess creditworthiness of customers in order to</p>	<p>5.1 Explain organisation policy for credit agreements with customers</p>	<p>Discuss the benefits and risks of offering credit.</p>

<p>set a credit limit for the customer</p>	<p>5.2 Explain the process for approving the granting of credit</p> <p>5.3 Explain how to check creditworthiness of a customer</p> <p>5.4 Explain how to complete a formal agreement with the customer and the financial basis for future trading</p>	<p>The dimensions of the process include credit checking, setting credit limit and period, consideration of terms &amp; conditions and legalities. The process requires integration with the organisations finance function.</p> <p>Differentiate between B2B and B2C In B2B it is generally customer applies, references and checks are made, approval and limits set, contractual agreement.</p> <p>Credit checks include bank &amp; trade references and credit reports from third party suppliers as well as resources such as Companies House.</p> <p>Discuss a range of ratios used to check customer risk and liquidity.</p> <p>Formal agreement in the form of a contract. Incorporate into standard terms and conditions.</p> <p>Discuss a range of relevant terms and conditions including items such as costs, delivery, payment terms, credit limits &amp; periods, retention of title, dispute resolution and breach.</p> <p>State how an organisation can operate to support the future trade partnership.</p>
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## Unit 408: Writing and delivering a sales proposal

Unit aim				<p>This unit aims to provide the skills for preparing sales proposals for customers.</p> <p>The preparation of sales proposals involves identifying your customer's requirements and matching them with the objectives and requirements of your organisation. Sales proposals need to include sufficient detail of the products or services to be provided and timescales. A sales proposal is expected to conform to an organisation's house-style. The sales proposals need to be competitive and to have any necessary conditions and constraints built into them to protect the interests of the organisation.</p>	
Level:	4	ISM Unit no.	U408	RQF unit reference no.	T/502/9742
Credit value			4	Guided Learning Hours	30
Mapping to National Occupational Standards			Sales NOS 5.1		

Learning outcomes	Assessment criteria	Indicative Content
The learner will:	The learner can:	
1. Be able to develop a sales proposal	1.1 Ensure that the customer's requirements are understood  1.2 Ensure that all identified issues requiring clarification are resolved before the proposal is finalised  1.3 Identify the conditions and constraints which need to be included within the proposal in order to protect the organisation's interests	<p>The distinction between a customer centric and a sales led approach to developing a sales proposal.</p> <p>The importance of adopting a customer centric approach and the benefits of this to the organisation and customer.</p> <p>The scope of the customer requirements: the business problem the customer is faced with, the functional requirements of a solution to the problem, cost and timescale constraints, and the</p>



		<p>organisation's to high levels of risk.</p> <p>Reducing risk exposure:</p> <ul style="list-style-type: none"> <li>• compliance with relevant legislation</li> <li>• compliance with ethical good practice</li> <li>• limiting contractual liability though appropriate Terms and Conditions</li> </ul> <p>Identifying the scope and relevance of legislation to the proposal:</p> <ul style="list-style-type: none"> <li>• sales legislation ((Sales of Goods Act)</li> <li>• data protection and privacy</li> <li>• health and safety</li> <li>• environmental</li> <li>• IPR (not infringing copyright, trademark patent)</li> <li>• employment law in the case of outsourced services.</li> </ul> <p>Developing the proposal:</p> <ul style="list-style-type: none"> <li>• evaluating the basis of the proposal</li> <li>• building the proposal around the customer</li> <li>• structuring the content of the proposal.</li> </ul> <p>Structuring the proposal:</p> <ul style="list-style-type: none"> <li>• the management summary</li> <li>• key sections: specification, pricing and timescales</li> <li>• appendices and support material.</li> </ul>
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		<p>Communicating the proposal powerfully:</p> <ul style="list-style-type: none"> <li>• use of language</li> <li>• use of graphics (diagrams, charts, pictures).</li> </ul> <p>Compliance with house style:</p> <ul style="list-style-type: none"> <li>• branding (logos, marketing strap lines etc.)</li> <li>• Style guidelines for writing.</li> </ul> <p>Checklist for legal compliance.</p> <p>Identification of ethical issues, the importance and benefits of an ethical approach to sales proposals, good practice in sales proposal management.</p> <p>Establishing the required level of detail, managing the collation of internal information needed for the proposal, and presenting it in the customer's terms</p>
<p>2. Be able to deliver a sales proposal to a customer</p>	<p>2.1 Deliver the proposal to the customer within an agreed timescale</p> <p>2.2 Ensure the customer is happy with the proposal, addressing any issues and amending it as required</p>	<p>Planning for the delivery:</p> <ul style="list-style-type: none"> <li>• identifying and scheduling tasks</li> <li>• choosing an appropriate delivery mechanism</li> <li>• agreeing the schedule of activities with the customer.</li> </ul> <p>The importance of being proactive here:</p> <ul style="list-style-type: none"> <li>• following up with the customer</li> <li>• getting confirmation that issues have been addressed</li> </ul>

	<p>2.3 Ensure that information is stored and managed according to Data Protection legislation</p>	<ul style="list-style-type: none"> <li>• using change control to manage the iterations of a proposal.</li> </ul> <p>Explain the key principles of the 1998 Data Protection Act and the consequences of failing to comply with the act.</p> <p>Identify the relevance of the Act to developing sales proposals for customers.</p> <p>Explain how to store and manage information to comply with the Act.</p> <p>Identify the support resources available, including in-house policy and access to a legal expert.</p>
<p>3. Be able to evaluate the proposal</p>	<p>3.1 Evaluate the outcome of the proposal and recommend improvements for the future</p>	<p>Explain the different types of outcome that can arise.</p> <p>How to obtain information on the outcome of the proposal.</p> <p>How to evaluate the proposal outcome.</p> <p>The benefits of providing feedback to the organisation on the outcome.</p> <p>How to identify and recommend improvements for the future.</p>