Unit 44: Business Psychology

Unit code: F/601/1027
QCF level: 5
Credit value: 15 credits

Aim

The aim of this unit is to develop an understanding of the contribution that psychology makes to the investigation of human behaviour in the workplace and how it is used in key aspects of management.

Unit abstract

This unit builds on some of the psychological aspects of Unit 3: Organisations and Behaviour. Firstly, learners will explore the major theoretical approaches to the study of human behaviour and how this body of knowledge has been developed through the use of psychological enquiries.

Learners will then study the different types of individual differences and how the tools are used in the workplace to assist in selecting and developing staff.

Learners will explore the impact of change on individuals in the workplace and how change can be managed to reduce negative impact on the organisation and the staff.

The remaining topic is a study of organisational culture and climate and the impact of both on individual and organisational performance.

Overall the unit seeks to combine theoretical study with the application of learning to business organisations.

Learning outcomes

On successful completion of this unit a learner will:

1. Understand the different perspectives in occupational psychology
2. Understand the role of psychology in the assessment of individual differences in the workplace
3. Be able to apply knowledge of impact of change in business
4. Understand the impact of culture and climate on performance.
Unit content

1 Understand the different perspectives in occupational psychology

Major theoretical approaches in the study of human behaviour: behaviourist, cognitive, humanistic; their application in the development of occupational psychology

The contribution of other disciplines: e.g. sociology and of developments in social psychology is also recognised

Methods used in psychological enquiry: key terms: theory, hypothesis, scientific methods, surveys and interviews, participant observation, role play and simulation, methods to be considered with reference to validity and control

2 Understand the role of psychology in the assessment of individual differences in the workplace

Application of assessment of individual differences: specifically to understanding of learning, memory, attitudes, personality and ability testing

Use of psychometric testing in assessment and selection: reliability and validity of psychometric instruments

Emotional intelligence in assessment and development of staff: reliability and validity, use of tools

3 Be able to apply knowledge of impact of change in business

Impact of organisational change on individuals: reactions of individuals to change, process model e.g. John Fisher or Kubler Ross, reasons for individual resistance to change, individual variations in responses to change

Methods of managing change: e.g. unfreezing, moving, refreezing (Lewin), resistance to change, actions to overcome resistance, methods of managing change

Attitudes: importance of attitudes amongst employees, customers and other stakeholders, attitude formation, attitude change

4 Understand the impact of culture and climate on performance

Culture: culture as shared values, practices and customs, definition of organisational culture, culture at ascending levels, sub-cultures, professional cultures, organisational culture, industry culture, national culture, models of culture e.g. Trompenaars’ Implicit-Explicit factors, Schein’s three levels

Organisational culture: models of organisational culture, e.g. Handy’s power, role, person and task cultures, Johnson and Scholes cultural web, impact of organisational culture on behaviour, culture change programmes
Climate: how climate is defined, difference between culture and climate, key aspects of organisational climate e.g. flexibility, responsibility, standards, rewards, clarity, team commitment, impact of management practices on climate, characteristics of a healthy climate, impact of climate on efficiency and effectiveness, methods of improving climate
# Learning outcomes and assessment criteria

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<tr>
<th>Learning outcomes</th>
<th>Assessment criteria for pass</th>
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<td><strong>On successful completion of this unit a learner will:</strong></td>
<td><strong>The learner can:</strong></td>
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| **LO1** Understand the different perspectives in occupational psychology | 1.1 describe the major theoretical approaches  
1.2 assess the contribution of a scientific approach to investigating workplace behaviour  
1.3 assess strengths and limitations of quantitative and qualitative approaches to understanding workplace behaviour |
| **LO2** Understand the role of psychology in the assessment of individual differences in the workplace | 2.1 describe the type of individual differences which have been the subject of assessment  
2.2 assess the usefulness of psychometric instruments with particular reference to reliability and validity  
2.3 make justified recommendations for the use of two types of measures of individual differences in making business decisions |
| **LO3** Be able to apply knowledge of impact of change in business | 3.1 use theory to explain human reactions to change  
3.2 make justified recommendations for implementing change in a selected organisation  
3.3 make justified recommendations for achieving attitude change amongst a group of stakeholders in a selected organisation |
| **LO4** Understand the impact of culture and climate on performance | 4.1 explain how culture influences performance in a selected organisation  
4.2 evaluate the climate for a selected work group  
4.3 make justified recommendations for improving performance for a selected work group. |
Guidance

Links
This unit develops some aspects of Unit 3: Organisations and Behaviour further and there are also links with the units in the management pathway.

Essential requirements
There are no essential or unique resources required for the delivery of this unit.

Employer engagement and vocational contexts
Contact with an occupational psychologist or with a specialist in any of the areas covered by the learning outcomes.