



BUSINESS STUDIES

I CANs

Introduction to Business Year 9	R	A	G
ASSESSMENT 1			
“I Can” Describe, with examples, the ways in which businesses are categorised (e.g. start-up’s, number of employees)			
“I Can” Identify 3 local factors in the business environment which should be considered before setting up in business.			
“I Can” Identify 3 national factors in the business environment which should be considered before setting up in business. “I Can” Explain how the local and national factors that I have identified will affect the opening of the café.			
“I Can” Explain how changes in the economic environment could affect the café.			
ASSESSMENT 2			
“I Can” Describe, using relevant examples, the features of successful businesses.			
“I Can” Prepare a realistic initial plan for a business idea suitable for the local area.			
“I Can” Compare the features, strengths and weaknesses of two successful businesses.			
“I Can” Explain how the initial plan for a business idea has the potential to respond to market needs.			
“I Can” Justify how the initial plan for a business idea has the potential for success in relation to existing local businesses.			
Edexcel GCSE 9 - 1			
1.1 Enterprise and entrepreneurship			
<ul style="list-style-type: none">• Dynamic nature of business• Risk and reward• Role of business enterprise			



1.1 Enterprise and Entrepreneurs Year 10 Onwards			
1.1 Enterprise and Entrepreneurs	R	A	G
<p>1.1.1 The dynamic nature of Business</p> <p>1. Why new business ideas come about:</p> <ul style="list-style-type: none"> • Changes in technology • Changes in what consumers want • Products and services becoming obsolete. • How new businesses ideas come about: • Original ideas • Adapting existing products/services/ideas 			
<p>1.1.2 Risk and Reward</p> <p>The impact of risk and reward on business activity</p> <ul style="list-style-type: none"> • Risk: business failure, financial loss, lack of security • Reward: business success, profit, independence 			
<p>1.1.3 The role of Business Enterprise</p> <p>1. The role of business enterprise and the purpose of business activity:</p> <ul style="list-style-type: none"> • To produce goods or services • To meet customer needs • To add value: convenience, branding, quality, design, unique selling points. <p>2. The role of entrepreneurship:</p> <ul style="list-style-type: none"> • An entrepreneur: organises resources, makes business decisions, takes risks. 			



1.2 Spotting a business opportunity	R	A	G
<p>1.2.1 Customer needs</p> <p>1. Identifying and understanding customer needs:</p> <ul style="list-style-type: none"> • What customer needs are: price, quality, choice, convenience • The importance of identifying and understanding customers: generating sales, business survival. 			
<p>1.2.2 Market Research</p> <p>1. The purpose of market research:</p> <ul style="list-style-type: none"> • to identify and understand customer needs • to identify gaps in the market • to reduce risk • to inform business decisions <p>2. Methods of Market Research</p> <p>□ Primary research: survey, questionnaire, focus group, observation</p> <p>□ Secondary research: internet, market reports, government reports.</p> <p>3. The use of data in market research:</p> <ul style="list-style-type: none"> • Qualitative and quantitative data • The role of social media in collecting market research data • The importance of the reliability of market research data. 			
<p>1.2.3 Market segmentation</p> <p>1. How businesses use market segmentation to target customers:</p> <ul style="list-style-type: none"> • Identifying market segments: location, demographics, lifestyle, income, age • Market mapping to identify a gap in the market and the competition. 			
<p>1.2.4 The competitive environment</p> <p>1. Understanding the competitive environment:</p> <ul style="list-style-type: none"> • Strengths and weaknesses of competitors based on: price, quality, location, product range and customer service • the impact of competition on business decision making. 			



1.3 Putting a business idea into practice	R	A	G
<p>1.3.1 Business aims and objectives</p> <p>1. What business aims and objectives are.</p> <p>2. Business aims and objectives when starting up:</p> <ul style="list-style-type: none"> • financial aims and objectives: survival, profit, sales, market share, financial security • non-financial aims and objectives: social objectives, personal satisfaction, challenge, independence and control. • Why aims and objectives differ between businesses. 			
<p>1.3.2 Business revenues, costs and profits</p> <p>1. The concept and calculation of:</p> <ul style="list-style-type: none"> • Revenue • Fixed and variable costs • Total costs • Profit and loss • Interest • Break even level of output • Margin of safety. <p>2. Interpretation of break even diagrams:</p> <ul style="list-style-type: none"> • The impact of changes in revenue and costs • Break even level of output • Margin of safety • Profit and loss. 			
<p>1.3.3 Cash and cash-flow</p> <p>1. The importance of cash to a business:</p> <ul style="list-style-type: none"> • To pay suppliers, overheads and employees • To prevent business failure (insolvency) • The difference between cash and profit. <p>2. Calculation and interpretation of cash-flow forecasts:</p> <ul style="list-style-type: none"> • Cash inflows • Cash outflows • Net cash flow • Opening and closing balances. 			
<p>1.3.4 Sources of business finance</p> <p>1. Sources of finance for a start-up or established small business:</p> <ul style="list-style-type: none"> • Short-term sources: overdraft and trade credit • Long-term sources: personal savings, venture capital, share capital, loans, retained profit and crowd funding. 			



1.4 Making the business effective	R	A	G
<p>1.4.1 The options for start-up and small businesses</p> <p>1. The concept of limited liability:</p> <ul style="list-style-type: none"> limited and unlimited liability the implications for the business owner(s) of limited and unlimited liability. <p>2. The types of business ownership for start-ups:</p> <ul style="list-style-type: none"> Sole trader, partnership, private limited company The advantages and disadvantages of each type of business ownership. <p>3. The option of starting up and running a franchise operation:</p> <ul style="list-style-type: none"> The advantages and disadvantages of franchising. 			
<p>1.4.2 Business Location</p> <p>1. Factors influencing business location:</p> <ul style="list-style-type: none"> Proximity to: market, labour, materials and competitors Nature of the business activity The impact of the internet on location decisions: e-commerce and/or fixed premises. 			
<p>1.4.3 The Marketing Mix</p> <p>1. The marketing mix is and the importance of each element:</p> <ul style="list-style-type: none"> Product Price Place Promotion <p>2. How the elements of the marketing mix work together:</p> <ul style="list-style-type: none"> Balancing the marketing mix based on the competitive environment The impact of changing consumer needs on the marketing mix the impact of technology on the marketing mix: e-commerce, digital communication. <p>3. The use of data in market research:</p> <ul style="list-style-type: none"> Qualitative and quantitative data The role of social media in collecting market research data The importance of the reliability of market research data. 			
<p>1.4.4 Business Plans</p> <p>1. The role and importance of a business plan:</p> <ul style="list-style-type: none"> To identify: the business idea; business aims and objectives; target market (market research); forecast revenue, cost and profit; cash-flow forecast; sources of finance; location; marketing mix. <p>2. The purpose of planning business activity:</p> <ul style="list-style-type: none"> The role and importance of a business plan in minimising risk and obtaining finance. 			



1.5 Understanding external influences on business	R	A	G
<p>1.5.1 Business Stakeholders</p> <p>1. Who business stakeholders are and their different objectives:</p> <ul style="list-style-type: none"> • Shareholders (owners), employees, customers, managers, suppliers, local community, pressure groups, the government. <p>2. Stakeholders and businesses:</p> <ul style="list-style-type: none"> • How stakeholders are affected by business activity <ul style="list-style-type: none"> • How stakeholders impact business activity • Possible conflicts between stakeholder groups. 			
<p>1.5.2 Technology and business</p> <p>1. Different types of technology used by business:</p> <ul style="list-style-type: none"> • <input type="checkbox"/> E-commerce • <input type="checkbox"/> Social media • <input type="checkbox"/> Digital communication • <input type="checkbox"/> Payment systems. <p>2. How technology influences business activity in terms of:</p> <ul style="list-style-type: none"> • <input type="checkbox"/> Sales • <input type="checkbox"/> Costs • <input type="checkbox"/> Marketing mix. 			
<p>1.5.3 Legislation and business</p> <p>1. The purpose of legislation:</p> <ul style="list-style-type: none"> • Principles of consumer law: quality and consumer rights • <input type="checkbox"/> Principles of employment law: recruitment, pay, discrimination and health and safety. <p>2. The impact of legislation on businesses:</p> <ul style="list-style-type: none"> • Cost <ul style="list-style-type: none"> • <input type="checkbox"/> Consequences of meeting and not meeting these obligations. 			
<p>1.5.4 The Economy and Business</p> <p>1. The impact of the economic climate on Businesses:</p> <ul style="list-style-type: none"> • unemployment, changing levels of consumer income, inflation, changes in interest rates, government taxation, changes in exchange rates. 			
<p>1.5.5 The Economy and Business</p> <p>1. The importance of external influences on business:</p> <ul style="list-style-type: none"> • Possible responses by the business to changes in: technology, legislation, the economic climate. 			



Topic; 2.1.1 Business Growth	R	A	G
Methods of business growth and their impact: <ul style="list-style-type: none"> Organic growth and its impact (new products, new markets, marketing mix, technology, expanding overseas) 			
<ul style="list-style-type: none"> Inorganic growth and its impact (mergers and takeovers) 			
The types of business ownership for growing businesses: <ul style="list-style-type: none"> Public Limited Company (PLC) 			
Sources of finance for growing and established business: <ul style="list-style-type: none"> Internal sources (retained profit, selling assets) 			
<ul style="list-style-type: none"> External sources (loan capital, share capital, including stock floatation) 			
2.1.2 Changes in business aims and objectives			
Why business aims and objectives change as businesses evolve: <ul style="list-style-type: none"> In response to: market conditions, technology, performance, legislation, internal reasons. 			
How business aims and objectives change as businesses evolve: <ul style="list-style-type: none"> Focus on survival or growth 			
<ul style="list-style-type: none"> Entering or exiting markets 			
<ul style="list-style-type: none"> Growing or reducing the workforce 			
<ul style="list-style-type: none"> Increasing or decreasing product range 			
2.1.3 Business and globalisation			
The impact of globalisation on businesses: <ul style="list-style-type: none"> Imports: competition from overseas, buying from overseas 			
<ul style="list-style-type: none"> Exports: selling to overseas markets 			
<ul style="list-style-type: none"> Changing business locations 			
<ul style="list-style-type: none"> Multinationals 			
<ul style="list-style-type: none"> Barriers to international trade: 			
<ul style="list-style-type: none"> Tariffs 			
<ul style="list-style-type: none"> Trade blocs 			
<ul style="list-style-type: none"> How businesses compete internationally: 			
<ul style="list-style-type: none"> The use of the internet and e-commerce 			
<ul style="list-style-type: none"> Changing the marketing mix to compete internationally 			
2.1.4 Ethics, the environment and business			
The impact of ethical and environmental considerations on businesses: <ul style="list-style-type: none"> How ethical considerations influence business activity: possible trade-offs between ethics and profit 			
<ul style="list-style-type: none"> How environmental considerations influence business activity: possible trade-offs between the environment, sustainability and profit 			
<ul style="list-style-type: none"> The potential impact of pressure group activity on the marketing mix 			



2.2 Making Marketing Decisions			
2.2.1 Product			
The design mix: • Function, aesthetics, cost	R	A	G
The product life cycle: • The phases of the product life cycle			
• Extension strategies			
• The importance to a business of differentiating a product/service			
2.2.2 Price			
• Pricing strategies			
• Influence on pricing strategies: technology, competition, market segments, product life cycle			
2.2.3 Promotion			
• Appropriate promotion strategies for different market segments: advertising, sponsorship, product trials, special offers, branding			
• The use of technology in promotion: targeted advertising online, viral advertising via social media, e-newsletters			
2.2.4 Place			
• Methods of distribution: retailers and e-tailers (e-commerce)			
2.2.5 Using the marketing mix to make business decisions			
• How each element of the marketing mix can influence other elements			
• Using the marketing mix to build competitive advantage			
• How an integrated marketing mix can influence competitive advantage			

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2.3 Making Operational Decisions			
2.3.1 Business operations			
The purpose of business operations:	R	A	G
• To produce goods			
• To provide services			
Production processes:			
• Different types: job, batch, flow			
• The impact of different types of production processes: keeping productivity up and costs down and allowing for competitive prices.			
Impacts of technology on production:			
• Balancing cost, productivity, quality and flexibility			
• 2.3.2 Working with suppliers			
Managing stock:			
• Interpretation of bar gate stock graphs			
• The use of just in time (JIT) stock control			
The role of procurement:			
• Relationships with suppliers: quality, delivery (cost, speed, reliability), availability, cost, trust			
• The impact of logistics and supply decisions on: costs, reputation, customer satisfaction.			
2.3.3 Managing quality			
The concept of quality and its importance in:			
• The production of goods and the provision of services: quality control and quality assurance.			
• Allowing a business to control costs and gain a competitive advantage			
2.3.4 The sales process			
The sales process:			
• Product knowledge, speed and efficiency of service, customer engagement, responses to customer feedback, post-sales service.			
• The importance to businesses of providing good customer service			



2.4 Making Financial Decisions			
2.4.1 Business calculations			
The concept and calculation of:	R	A	G
• Gross profit			
• Net profit			
• Gross profit margin			
• Net profit margin			
• Average rate of return			
2.4.2 Understanding business performance			
The use and interpretation of quantitative business data to support, inform and justify business decisions:			
• Information from graphs and charts			
• Financial data			
• Marketing data			
• Market data			
The use and limitations of financial information in:			
• Understanding business performance			
• Making business decisions			



2.5 Making Human Resource Decisions			
2.5.1 Organisational structures			
Different organisational structures and when each are appropriate:	R	A	G
<ul style="list-style-type: none"> Hierarchical and flat 			
<ul style="list-style-type: none"> Centralised and decentralised 			
The importance of effective communication:			
<ul style="list-style-type: none"> The impact of insufficient or excessive communication on efficiency and motivation 			
<ul style="list-style-type: none"> Barriers to effective communication 			
Different ways of working:			
<ul style="list-style-type: none"> Part-time, full-time and flexible hours 			
<ul style="list-style-type: none"> Permanent, temporary, and freelance contracts 			
<ul style="list-style-type: none"> The impact of technology on ways of working: efficiency, remote working 			
<ul style="list-style-type: none"> 2.5.2 Effective recruitment 			
Different job roles and responsibilities:			
<ul style="list-style-type: none"> Key job roles and their responsibilities: directors, senior managers, supervisors/team leaders, operational and support staff 			
How businesses recruit people:			
<ul style="list-style-type: none"> Documents: personal specification and job description, application form, CV 			
<ul style="list-style-type: none"> Recruitment methods used to meet different business needs (internal and external recruitment) 			
2.5.3 Effective training and development			
How businesses train and develop employees:			
<ul style="list-style-type: none"> Different ways of training and developing employees: formal and informal training, self-learning, ongoing training for all employees, use of target setting and performance reviews. 			
Why businesses train and develop employees:			
<ul style="list-style-type: none"> The link between training, motivation and retention 			
<ul style="list-style-type: none"> Retraining to use new technology 			
2.5.4 Motivation			
The importance of motivation in the workplace:			
<ul style="list-style-type: none"> Attracting employees, retaining employees, productivity 			
How businesses motivate employees:			
<ul style="list-style-type: none"> Financial methods: remuneration, bonus, commission, promotion, fringe benefits 			
<ul style="list-style-type: none"> Non-financial benefits: job rotation, job enrichment, autonomy 			