



## Business - Year 11 Assessment Manifest

### Paper 1 – Investigating a Small Business

– 90 Marks

1 Hour 45 Minutes 50% OF THE GCSE

Content overview □ Topic 1.1 Enterprise and entrepreneurship □ Topic 1.2 Spotting a business opportunity □ Topic 1.3 Putting a business idea into practice □ Topic 1.4 Making the business effective □ Topic 1.5 Understanding external influences on business		R	A	G
<b>Topic 1.1 Enterprise and entrepreneurship</b> 1.1.1 The dynamic nature of business	Why new business ideas come about: <ul style="list-style-type: none"> <li>• Changes in technology.</li> <li>• Changes in what consumers want.</li> <li>• Products and services becoming obsolete.</li> <li>• How new business ideas come about:               <ul style="list-style-type: none"> <li>○ Original ideas</li> <li>○ Adapting existing products/services/ideas</li> </ul> </li> </ul>			
1.1.2 Risk and reward	The impact of risk and reward on business activity: <ul style="list-style-type: none"> <li>• Risk: business failure, financial loss, lack of security</li> <li>• Reward: business success, profit, independence</li> </ul>			
1.1.3 The role of business enterprise	The role of business enterprise and the purpose of business activity: <ul style="list-style-type: none"> <li>• To produce goods or services.</li> <li>• To meet customer needs.</li> <li>• To add value: convenience, branding, quality, design, unique selling points.</li> </ul> The role of entrepreneurship: <ul style="list-style-type: none"> <li>• An entrepreneur: organises resources, makes business decisions, takes risks.</li> </ul>			

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

<p><b>Topic 1.3 Putting a business idea into practice</b></p> <p>1.3.1 Business aims and objectives</p>	<p>What business aims and business objectives are.</p> <p>Business aims and objectives when starting up:</p> <ul style="list-style-type: none"> <li>• Financial aims and objectives: survival, profit, sales, market share, financial security</li> <li>• Non-financial aims and objectives: social objectives, personal satisfaction, challenge, independence and control</li> </ul> <p>Why business aims and objectives differ between businesses.</p>			
<p>1.3.2 Business revenues, costs and profits</p>	<p>The concept and calculation of:</p> <ul style="list-style-type: none"> <li>• Revenue</li> <li>• Fixed and variable costs</li> <li>• Total costs</li> <li>• Profit and loss</li> <li>• Interest</li> </ul>			
<p>1.3.2 Business revenues, costs and profits</p>	<p>Interpretation of break-even diagrams:</p> <ul style="list-style-type: none"> <li>• The impact of changes in revenue and costs</li> <li>• Break-even level of output</li> <li>• Margin of safety</li> <li>• Profit and loss</li> </ul>			
<p>1.3.3 Cash and cash-flow</p>	<p>The importance of cash to a business:</p> <ul style="list-style-type: none"> <li>• To pay suppliers, overheads and employees.</li> <li>• To prevent business failure (insolvency).</li> <li>• The difference between cash and profit.</li> </ul> <p>Calculation and interpretation of cash-flow forecasts:</p> <ul style="list-style-type: none"> <li>• Cash inflows</li> <li>• Cash outflows</li> <li>• Net cash-flow</li> <li>• Opening and closing balances</li> </ul>			
<p>1.3.4 Sources of business finance</p>	<p>Sources of finance for a start-up or established small business:</p> <ul style="list-style-type: none"> <li>• Short-term sources: overdraft and trade credit</li> <li>• Long-term sources: personal savings, venture capital, share capital, loans, retained profit and crowd funding</li> </ul>			
<p><b>Topic 1.4 Making the business effective</b></p> <p>1.4.1 The options for start-up and small businesses</p>	<p>The concept of limited liability:</p> <ul style="list-style-type: none"> <li>• Limited and unlimited liability.</li> <li>• The implications for the business owner(s) of limited and unlimited liability.</li> </ul>			

1.4.1 The options for start-up and small businesses	<p>The types of business ownership for start-ups:</p> <ul style="list-style-type: none"> <li>• Sole trader, partnership, private limited company.</li> <li>• The advantages and disadvantages of each type of business ownership.</li> </ul> <p>The option of starting up and running a franchise operation:</p> <ul style="list-style-type: none"> <li>• The advantages and disadvantages of franchising.</li> </ul>			
1.4.2 Business location	<p>Factors influencing business location:</p> <ul style="list-style-type: none"> <li>• Proximity to: market, labour, materials and competitors</li> <li>• Nature of the business activity</li> <li>• The impact of the internet on location decisions: e-commerce and/or fixed premises</li> </ul>			
1.4.3 The marketing mix	<p>What the marketing mix is and the importance of each element:</p> <ul style="list-style-type: none"> <li>• Price, product, promotion, place</li> </ul>			
1.4.3 The marketing mix	<p>How the elements of the marketing mix work together:</p> <ul style="list-style-type: none"> <li>• Balancing the marketing mix based on the competitive environment.</li> <li>• The impact of changing consumer needs on the marketing mix.</li> <li>• The impact of technology on the marketing mix: e-commerce, digital communication.</li> </ul>			
1.4.4 Business plans	<p>The role and importance of a business plan:</p> <ul style="list-style-type: none"> <li>• 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.</li> </ul> <p>The purpose of planning business activity:</p> <ul style="list-style-type: none"> <li>• The role and importance of a business plan in minimising risk and obtaining finance.</li> </ul>			
<p><b>Topic 1.5</b> <b>Understanding external influences on business</b></p> <p>1.5.1 Business stakeholders</p>	<p>Who business stakeholders are and their different objectives:</p> <ul style="list-style-type: none"> <li>• Shareholders (owners), employees, customers, managers, suppliers, local community, pressure groups, the government</li> </ul> <p>Stakeholders and businesses:</p> <ul style="list-style-type: none"> <li>• How stakeholders are affected by business activity.</li> <li>• How stakeholders impact business activity.</li> <li>• Possible conflicts between stakeholder groups.</li> </ul>			
1.5.2 Technology and business	<p>Different types of technology used by business:</p> <ul style="list-style-type: none"> <li>• E-commerce</li> <li>• Social media</li> <li>• Digital communication</li> <li>• Payment systems</li> </ul> <p>How technology influences business activity in terms of:</p> <ul style="list-style-type: none"> <li>• Sales</li> <li>• Costs</li> <li>• Marketing mix</li> </ul>			

<p>1.5.3 Legislation and business</p>	<p>The purpose of legislation:</p> <ul style="list-style-type: none"> <li>• Principles of consumer law: quality and consumer rights</li> <li>• Principles of employment law: recruitment, pay, discrimination, and health and safety</li> </ul> <p>The impact of legislation on businesses:</p> <ul style="list-style-type: none"> <li>• Cost</li> </ul> <p>Consequences of meeting and not meeting these obligations.</p>			
<p>1.5.4 The economy and business</p>	<p>The impact of the economic climate on businesses:</p> <ul style="list-style-type: none"> <li>• Unemployment, changing levels of consumer income, inflation, changes in interest rates, government taxation, changes in exchange rates</li> </ul>			
<p>1.5.5 External influences</p>	<p>The importance of external influences on business: introducing the idea that some factors beyond the business can impact on the business</p>			
<p>1.5.5 External influences</p>	<p>Possible responses by the business to changes in: technology, legislation, the economic climate.</p>			

## Paper 2 – Building a Business - 90 Marks

**1 Hour 45 Minutes 50% OF THE GCSE LEVEL**

<b>Content overview</b> □ <b>Topic 2.1 Growing the business</b> □ <b>Topic 2.2 Making marketing decisions</b> □ <b>Topic 2.3 Making product decisions</b> □ <b>Topic 2.4 Making financial decisions</b> □ <b>Topic 2.5 Making human resource decisions</b>		R	A	G
<b>Topic 2.1 Growing the business</b>  2.1.1 Business growth	Sources of finance for growing and established businesses: <ul style="list-style-type: none"> <li>internal sources: retained profit, selling assets</li> <li>external sources:                             <ul style="list-style-type: none"> <li>own capital, share capital, including stock market flotation (public limited companies)</li> </ul> </li> </ul>			
2.1.2 Changes in business aims and objectives	Why business aims and objectives change as businesses evolve: <ul style="list-style-type: none"> <li>in response to: market conditions, technology, performance, legislation, internal reasons.</li> </ul> How business aims and objectives change as businesses evolve: <ul style="list-style-type: none"> <li>focus on survival or growth</li> <li>entering or exiting markets</li> <li>growing or reducing the workforce</li> <li>increasing or decreasing product range.</li> </ul>			
2.1.3 Business and globalisation	The impact of globalisation on businesses: <ul style="list-style-type: none"> <li>imports: competition from overseas, buying from overseas</li> <li>exports: selling to overseas markets</li> <li>changing business locations</li> <li>multinationals.</li> </ul> Barriers to international trade: <ul style="list-style-type: none"> <li>tariffs</li> <li>trade blocs</li> </ul>			

<p>2.1.4 Ethics, the environment and business</p>	<p>The impact of ethical and environmental considerations on businesses:</p> <ul style="list-style-type: none"> <li>• how ethical considerations influence business activity: possible trade-offs between ethics and profit</li> <li>• how environmental considerations influence business activity: possible trade-offs between the environment, sustainability and profit</li> </ul>			
	<ul style="list-style-type: none"> <li>• the potential impact of pressure group activity on the marketing mix</li> </ul>			
<p><b>Topic 2.2 Making marketing decisions</b></p> <p>2.2.1 Product</p>	<p>The design mix:</p> <ul style="list-style-type: none"> <li>• function, aesthetics, cost.</li> </ul> <p>The product life cycle:</p> <ul style="list-style-type: none"> <li>• the phases of the product life cycle</li> <li>• extension strategies.</li> </ul> <p>The importance to a business of differentiating a product/service.</p>			
<p>2.2.2 Price</p>	<p>Price:</p> <ul style="list-style-type: none"> <li>• pricing strategies</li> <li>• Influences on pricing strategies: technology, competition, market segments, product life cycle.</li> </ul>			
<p>2.2.3 Promotion</p>	<p>Promotion:</p> <ul style="list-style-type: none"> <li>• appropriate promotion strategies for different market segments: advertising, sponsorship, product trials, special offers, branding</li> <li>• the use of technology in promotion: targeted advertising online, viral advertising via social media, e-newsletters</li> </ul>			
<p>2.2.4 Place</p>	<p>Place:</p> <ul style="list-style-type: none"> <li>• methods of distribution: retailers and e-tailers (e-commerce).</li> </ul>			
<p>2.2.5 Using the marketing mix to make business decisions</p>	<ul style="list-style-type: none"> <li>• How each element of the marketing mix can influence other elements.</li> <li>• Using the marketing mix to build competitive advantage.</li> <li>• How an integrated marketing mix can influence competitive advantage.</li> </ul>			

<p><b>Topic 2.3 Making operational decisions</b></p> <p>2.3.1 Business operations</p>	<p>The purpose of business operations:</p> <ul style="list-style-type: none"> <li>to produce goods</li> <li>to provide services.</li> </ul> <p>Production processes:</p> <ul style="list-style-type: none"> <li>different types: job, batch, flow</li> <li>the impact of different types of production processes: keeping productivity up and costs down and allowing for competitive prices.</li> </ul>			
<p>2.3.1 Business operations</p>	<p>Impacts of technology on production:</p> <ul style="list-style-type: none"> <li>balancing cost, productivity, quality and flexibility.</li> </ul>			
<p>2.3.2 Working with suppliers</p>	<p>Managing stock:</p> <ul style="list-style-type: none"> <li>interpretation of bar gate stock graphs</li> <li>the use of just in time (JIT) stock control.</li> </ul> <p>The role of procurement:</p> <ul style="list-style-type: none"> <li>relationships with suppliers: quality, delivery (cost, speed, reliability), availability, cost, trust</li> <li>the impact of logistics and supply decisions on: costs, reputation, customer satisfaction.</li> </ul>			
<p>2.3.3 Managing quality</p>	<p>The concept of quality and its importance in:</p> <ul style="list-style-type: none"> <li>the production of goods and the provision of services: quality control and quality assurance</li> <li>allowing a business to control costs and gain a competitive advantage</li> </ul>			
<p>2.3.4 The sales process</p>	<p>The sales process:</p> <ul style="list-style-type: none"> <li>product knowledge, speed and efficiency of service, customer engagement, responses to customer feedback, post-sales service.</li> </ul> <p>The importance to businesses of providing good customer service.</p>			
<p><b>Topic 2.4 Making financial decisions</b></p> <p>2.4.1 Business calculations</p>	<p>The concept and calculation of:</p> <ul style="list-style-type: none"> <li>gross profit</li> <li>net profit.</li> </ul>			
<p>2.4.1 Business calculations</p>	<p>Calculation and interpretation of:</p> <ul style="list-style-type: none"> <li>gross profit margin</li> <li>net profit margin</li> <li>average rate of return.</li> </ul>			



2.4.2 Understanding business performance	<p>The use and interpretation of quantitative business data to support, inform and justify business decisions:</p> <ul style="list-style-type: none"> <li>• information from graphs and charts</li> <li>• financial data</li> <li>• marketing data</li> <li>• market data</li> </ul>			
2.4.2 Understanding business performance	<p>The use and limitations of financial information in:</p> <ul style="list-style-type: none"> <li>• understanding business performance</li> <li>• making business decisions</li> </ul>			
<p><b>Topic 2.5 Making human resource decisions</b></p> <p>2.5.1 Organisational structures</p>	<p>Different organisational structures and when each are appropriate:</p> <ul style="list-style-type: none"> <li>• hierarchical and flat</li> <li>• centralised and decentralised.</li> </ul> <p>The importance of effective communication:</p> <ul style="list-style-type: none"> <li>• the impact of insufficient or excessive communication on efficiency and motivation</li> <li>• barriers to effective communication.</li> </ul>			
2.5.1 Organisational structures	<p>Different ways of working:</p> <ul style="list-style-type: none"> <li>• part-time, full-time and flexible hours</li> <li>• permanent, temporary, and freelance contracts</li> <li>• the impact of technology on ways of working: efficiency, remote working</li> </ul>			
2.5.2 Effective recruitment	<p>Different job roles and responsibilities:</p> <ul style="list-style-type: none"> <li>• key job roles and their responsibilities: directors, senior managers, supervisors/team leaders, operational and support staff.</li> </ul>			
2.5.2 Effective recruitment	<p>How businesses recruit people:</p> <ul style="list-style-type: none"> <li>• documents: person specification and job description, application form, CV</li> <li>• recruitment methods used to meet different business needs (internal and external recruitment).</li> </ul>			
2.5.3 Effective training and development	<p>How businesses train and develop employees:</p> <ul style="list-style-type: none"> <li>• 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.</li> </ul> <p>Why businesses train and develop employees:</p> <ul style="list-style-type: none"> <li>• the link between training, motivation and retention</li> <li>• retraining to use new technology.</li> </ul>			
2.5.4 Motivation	<p>The importance of motivation in the workplace:</p> <ul style="list-style-type: none"> <li>• attracting employees, retaining employees, productivity.</li> </ul>			

2.5.4 Motivation	How businesses motivate employees: <ul style="list-style-type: none"><li>• financial methods: remuneration, bonus, commission, promotion, fringe benefits</li><li>• non-financial methods: job rotation, job enrichment, autonomy</li></ul>			
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