

Information for AQA Centres

Like the new Edexcel specification the AQA course is made up of 4 units. In the AQA specification the AS Units are worth 20% and 30% of the of the A level grade, with Edexcel there is a 25%:25% split giving students the chance to pick up more marks for their knowledge and appreciation of enterprise/setting up in business. In terms of unit content there is a close match between the AQA and the new Edexcel units at AS but a significant variation at A2 given the nature of Unit 3 International Business which is also a significant departure from the Edexcel legacy specification, 9076. The introduction of International Business by Edexcel recognises the growing significance of globalisation and the effects on UK business of the high rates of economic growth, development and trading of emerging economies like India and China.

AQA Unit Content	Edexcel Unit Content	Differences in Content and Assessment
<p>Unit 1 - BUSS1 Planning and Financing a Business (40% of AS, 20% of A Level)</p> <p>Starting a Business</p> <ul style="list-style-type: none"> • Enterprise • Generating & Protecting Ideas • Transforming Resources • Developing Business Plans • Conduction Start-up Market Research • Understanding Markets • Choosing the Right Legal Structure • Raising Finance • Locating the Business • Employing People <p>Financial planning</p> <ul style="list-style-type: none"> • Calculating Costs, Revenues, Profits • Using Break-Even Analysis • Using Cash-Flow Forecasting • Setting Budgets • Assessing Start-Ups 	<p>Unit 1 - 6BS01 Developing New Business Ideas (50% of AS, 25% of A Level)</p> <p>Characteristics of Successful Entrepreneurs</p> <ul style="list-style-type: none"> • Characteristics of entrepreneurs • What motivates entrepreneurs? • Leadership styles <p>Identifying a Business Opportunity</p> <ul style="list-style-type: none"> • Markets and what should firms supply • Identifying consumer wants or needs <p>Evaluating a Business Opportunity</p> <ul style="list-style-type: none"> • Researching demand-business idea • Is there a market for the idea? • Positioning the Business • Product Trial • Opportunity costs <p>Economic Considerations</p> <ul style="list-style-type: none"> • Current economic climate • Implications of government decisions • Consequences for business of unemployment, inflation, changes in exchange rates 	<p>AQA candidates are assessed through short answer questions to test knowledge and application then through extended responses based on a mini case study testing analysis and evaluation. The Edexcel exam is split into Section A - Eight supported multi-choice questions testing largely knowledge, application and analysis and Section B a set of five extended response questions based on a mini case study which tests all four objectives.</p> <p>Legal Structures are not really tested by Edexcel, other than candidates having to appreciate how limited liability may affect an individuals' ability to borrow start-up capital</p> <p>Employing people, locating the business, transforming resources into goods and services (primary, secondary, tertiary) do not feature in the Edexcel specification.</p> <p>Cash-flow forecasting as such is not a feature</p>

	<p>Financing the new business idea</p> <ul style="list-style-type: none"> • Internal sources • External sources • Implications of liability <p>Measuring the potential success</p> <ul style="list-style-type: none"> • Estimation of sales, costs & profit • Break-Even • Measurement of Profit <p>Putting a business idea into practice</p> <ul style="list-style-type: none"> • Creation of a business plan • Purpose, features 	<p>of the Edexcel Unit 1; candidates are only required to know that it is a feature of a business plan to help secure finance. CFF is postponed to Unit 2 for Edexcel.</p> <p>Leadership styles are a feature of the Edexcel specification; this does not occur until Unit 2 for AQA.</p> <p>Similarly, economic considerations do not feature in the AQA specification until Unit 4; this features in the Edexcel specification because it could be a key factor in the initial phase of a new business.</p>
<p>Unit 2 - BUSS2 Managing a Business (60% of AS, 30% of A Level)</p> <p>Finance</p> <ul style="list-style-type: none"> • Using budgets • Improving cash-flow • Measuring and Increasing Profit <p>People in Business</p> <ul style="list-style-type: none"> • Organisational Structures • Effectiveness of the Workforce • Developing an Effective Workforce • Retaining an Effective Workforce <p>Operations Management</p> <ul style="list-style-type: none"> • Making operational decisions • Quality • Customer Service • Working with Suppliers • Technology in operations 	<p>Unit 2 - 6BS02 Managing the Business (50% of AS, 25% of A Level)</p> <p>Marketing Plan</p> <ul style="list-style-type: none"> • Marketing objectives and strategy • Identification of the Marketing Mix: Product, Place, Promotion, Price • Price elasticity of demand <p>Managing the Provision Process</p> <ul style="list-style-type: none"> • Product or service design • Productivity and efficiency • Capacity utilisation • Stock control • Lean management • Quality management techniques • Consumer protection legislation <p>How does a company budget efficiently?</p> <ul style="list-style-type: none"> • Budgets 	<p>AQA candidates are assessed through multi-part compulsory data response questions. There is slight emphasis on knowledge and analysis, though all four assessment objectives are tested. The Edexcel exam is split into Section A - Six supported multi-choice questions testing largely knowledge, application and analysis and Section B a set of seven extended response questions based on a mini case study which tests all four objectives, including evaluation.</p> <p>Edexcel Candidates examine the reasons why businesses fail in this Unit rather than in Unit 1 for AQA; this may be more appropriate given that candidates will have become more familiar with functional areas at this stage in the course.</p>

<p>Marketing and the Competitive Environment</p> <ul style="list-style-type: none"> • Effective marketing • Designing an Effective Marketing mix • Product • Promotion • Pricing • Place • Marketing and Competitiveness 	<ul style="list-style-type: none"> • Sales forecast • Cash-flow forecasting • Managing working capital • Differences between cash & profit • Why businesses fail <p>Managing other people</p> <ul style="list-style-type: none"> • Organisational structures • Recruitment and training • Motivation of staff • How managers can get the best from staff • Reduction of labour costs 	<p>Regarding price elasticity of demand (Marketing), the AQA specification states that 'candidates should be able to use the price elasticity coefficient to show the effects of price changes on total revenue. However, candidates will not be required to calculate the co-efficient of price elasticity' For Edexcel requirements are more applied, i.e. 'students should be able to calculate price elasticity, interpret results of the calculation and consider what creates inelastic demand for products '</p> <p>Price taking and price making are not a feature of Edexcel Unit 2 in Business Studies but rather GCE Economics and Business given its coverage of microeconomic theory of the firm. Pricing strategies are included in Edexcel Unit 1 given the link with setting up in business.</p> <p>Working with suppliers and customer service does not feature in the Edexcel specification at AS.</p>
<p>Unit 3 - BUSS3 Strategies for Success (25% of A Level)</p> <p>Using Objectives and Strategy</p> <ul style="list-style-type: none"> • Using objectives and strategy <p>Financial Strategies and Accounts</p> <ul style="list-style-type: none"> • Understanding Financial Objectives • Using Financial Data to Measure and Assess Performance 	<p>Unit 3 - 6BS03 International Business (25% of A Level)</p> <p>Why does a business seek international markets?</p> <ul style="list-style-type: none"> • Product conditions • Market conditions <p>Key Players in the world economy</p> <ul style="list-style-type: none"> • India and China 	<p>AQA candidates are assessed through questions requiring extended answers based on an unseen case study drawing upon knowledge from AS Units. The Edexcel exam is split into Section A - questions based on data and Section B - a set of extended response questions based on a case study; both sections test all four objectives, including evaluation</p>

<ul style="list-style-type: none"> • Interpreting Published Accounts • Selecting Financial Strategies • Making Investment Decisions <p>Marketing Strategies</p> <ul style="list-style-type: none"> • Understanding Marketing Objectives • Analysing Markets and Marketing • Selecting Marketing Strategies • Developing & Implementing Marketing Plans <p>Operational Strategies</p> <ul style="list-style-type: none"> • Understanding Operational Objectives • Scale and Resource Mix • Innovation • Lean Production <p>Human Resource Strategies</p> <ul style="list-style-type: none"> • Understanding HR Objectives & Strategies • Developing and Implementing Workforce Plans • Competitive Organisational Structures • Effective Employer/Employee Relations 	<ul style="list-style-type: none"> • Population size • Economic growth and export rates • Purchasing power and foreign investment • Barriers to entry/trade opportunities <p>How does a company decide which countries to target?</p> <ul style="list-style-type: none"> • India and China • Population size • Economic growth and export rates <p>Other considerations before trading internationally</p> <ul style="list-style-type: none"> • Responsibility to stakeholders • Social/cultural differences in doing business • The purpose of tariffs, laws, quotas <p>Globalisation</p> <ul style="list-style-type: none"> • Global industries • Global marketing • Global niche markets <p>Are multinationals a force for good or should they be controlled?</p> <ul style="list-style-type: none"> • Benefits to overseas countries • Negative impact of MNCs • Can MNCs be controlled? 	<p>The AQA Unit focuses on larger businesses which may be trading nationally or internationally. It considers functional strategies that larger businesses may adopt to achieve their objectives. The topics and nature of the Edexcel Unit are quite a departure from legacy specifications in GCE Business Studies, which makes it very contemporary. There are aspects of the Unit which are very new and increasingly relevant, e.g. India and China. There are also aspects which are not so new but have been housed in a global context, e.g. 'social and cultural differences in doing business' which appears in Marketing Strategies in AQA's Unit 3.</p> <p>The AQA Unit is divided into functional areas, whereas the Edexcel Unit is largely presented in the form of pedagogical questions which give a useful insight into the nature of study, i.e. encourage class discussion, use of comparative case studies, examination of journals, etc.</p> <p>Certain aspects of Globalisation are studied in AQA Unit 4.</p>
<p>Unit 4 - BUSS4 The Business Environment and Managing Change</p> <p>Corporate Aims and Objectives</p> <ul style="list-style-type: none"> • Mission Statements 	<p>Unit 4 - 6BS04 Making Business Decisions</p> <p>Corporate Objectives and Strategy</p> <ul style="list-style-type: none"> • Corporate objectives • Stakeholder influences 	<p>AQA candidates are assessed through questions requiring extended answers based on an unseen case study drawing upon knowledge from AS Units. The Edexcel exam is split into Section A -</p>

<ul style="list-style-type: none"> • Corporate aims and objectives • Corporate strategies • Stakeholder perspectives <p>Assessing Changes in the Business Environment</p> <ul style="list-style-type: none"> • Relationship between businesses and the economic environment • Relationship between businesses and the political and legal environment • Relationship between businesses and the social environment • Relationship between businesses and the competitive environment <p>Managing Change</p> <ul style="list-style-type: none"> • Internal causes of change • Planning for change • Leadership • Culture • Making strategic decisions • Implementing and managing change 	<ul style="list-style-type: none"> • Corporate culture • Corporate strategy <p>Making Strategic Decisions</p> <ul style="list-style-type: none"> • Decision making model • Investment appraisal • Decision trees • Project planning and network analysis • Contribution; special order decisions • Business contingency planning <p>Assessing Competitiveness</p> <ul style="list-style-type: none"> • Interpretation of financial accounts • Human resource competitiveness <p>Company Growth</p> <ul style="list-style-type: none"> • Nature of company growth • Effects of growth 	<p>questions based on data and Section B - a set of extended response questions based on a case study; both sections test all four objectives, including evaluation</p> <p>As with Unit 3, there are aspects to both Awarding Body Unit 4s which are synoptic. The essential difference between the AQA specification and that of Edexcel is that the political, legal and economic environments are not studied explicitly by Edexcel candidates although this is implicit in much of Unit 3. Also Managing Change features as significantly for the Edexcel specification as it does for AQA.</p> <p>Instead the interpretation of financial accounts and human resource competitiveness features in this Unit for Edexcel students rather than in Unit 3, as does Company Growth.</p>
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Information for OCR Centres

Like the new Edexcel specification the OCR course is made up of 4 units. In the OCR specification the AS Units are worth 40% and 60% of the AS respectively, 20% and 30% of the final A level grade. with Edexcel there is a 25%:25% split giving students the chance to pick up more marks for their knowledge and appreciation of enterprise/setting up in business. In terms of unit content there is a close match between the OCR* and the new Edexcel units at AS but a significant variation at A2 given the nature of Unit 3 International Business which is also a significant departure from the Edexcel legacy specification, 9076. The introduction of International Business by Edexcel recognises the growing significance of globalisation and the effects on UK business of the high rates of economic growth, development and trading of emerging economies like India and China. *this will also depend on which OCR Optional Unit (Unit 3) is selected.

OCR Unit Content	Edexcel Unit Content	Differences in Content and Assessment
<p>Unit 1 - F291 An Introduction to Business (40% of AS, 20% of A Level)</p> <p>The Nature of Business</p> <ul style="list-style-type: none"> • What businesses do • What businesses need: sources of finance, legal identity, cash-flow, human resources, market information and research, sampling, customers and suppliers, managerial co-ordinating behaviour, accountability <p>Classification of Business</p> <ul style="list-style-type: none"> • Economic sector • Size • Legal structure • Ownership <p>Objectives</p> <ul style="list-style-type: none"> • Corporate objectives • Stakeholders <p>The Market</p> <ul style="list-style-type: none"> • Factors affecting supply and demand • Interaction of supply and demand 	<p>Unit 1 - 6BS01 Developing New Business Ideas (50% of AS, 25% of A Level)</p> <p>Characteristics of Successful Entrepreneurs</p> <ul style="list-style-type: none"> • Characteristics of entrepreneurs • What motivates entrepreneurs? • Leadership styles <p>Identifying a Business Opportunity</p> <ul style="list-style-type: none"> • Markets and what should firms supply • Identifying consumer wants or needs <p>Evaluating a Business Opportunity</p> <ul style="list-style-type: none"> • Researching demand-business idea • Is there a market for the idea? • Positioning the Business • Product Trial • Opportunity costs <p>Economic Considerations</p> <ul style="list-style-type: none"> • Current economic climate • Implications of government decisions • Consequences for business of unemployment, inflation, changes in 	<p>OCR candidates are assessed through short answer and data response questions which test mainly knowledge, application and analysis (evaluation is worth 15% of the marks available). The Edexcel exam is split into Section A - Eight supported multi-choice questions testing largely knowledge, application and analysis and Section B a set of five extended response questions based on a mini case study which tests all four objectives.</p> <p>Unlike the Edexcel (and AQA) specification, there is no specific study of enterprise and entrepreneurial characteristics. Because of this the OCR 2008 Spec reads very similar to legacy specs and appears not to have evolved to meet the needs of candidates and the wider economy/society in the UK. Entrepreneurship is, however, included in the Corporate objectives section of the OCR spec.</p>

<ul style="list-style-type: none"> • Different market structures, impact of competition <p>Other influences</p> <ul style="list-style-type: none"> • Technological change • Social and cultural changes • Moral and ethical perspectives 	<p>exchange rates</p> <p>Financing the new business idea</p> <ul style="list-style-type: none"> • Internal sources • External sources • Implications of liability <p>Measuring the potential success</p> <ul style="list-style-type: none"> • Estimation of sales, costs & profit • Break-Even • Measurement of Profit <p>Putting a business idea into practice</p> <ul style="list-style-type: none"> • Creation of a business plan • Purpose, features 	<p>There is no reference to the economic climate and external economic influences; this is postponed to A Level study. Traditional content appears to have been included instead by OCR, e.g. legal structure and ownership</p> <p>Break-even analysis for OCR candidates is studied in Unit 2</p> <p>The study of Business Plan is not required for OCR candidates, which means that study is less likely to be applied and interactive.</p>
<p>Unit 2 - F292 Business Functions (60% of AS, 30% of A Level)</p> <p>Marketing</p> <ul style="list-style-type: none"> • Marketing objectives • Market analysis • Marketing strategy <p>Accounting and Finance</p> <ul style="list-style-type: none"> • Budgeting • Cash-flow forecasting • Costing • Break-even analysis • Investment decisions • Final accounts <p>People in Organisations</p> <ul style="list-style-type: none"> • Labour turnover • Motivating and Leadership • Organisational structure and design 	<p>Unit 2 - 6BS02 Managing the Business (50% of AS, 25% of A Level)</p> <p>Marketing Plan</p> <ul style="list-style-type: none"> • Marketing objectives and strategy • Identification of the Marketing Mix: Product, Place, Promotion, Price • Price elasticity of demand <p>Managing the Provision Process</p> <ul style="list-style-type: none"> • Product or service design • Productivity and efficiency • Capacity utilisation • Stock control • Lean management • Quality management techniques • Consumer protection legislation <p>How does a company budget efficiently?</p> <ul style="list-style-type: none"> • Budgets 	<p>OCR candidates are assessed through one six-part question in Section A and four extended questions in Section B based on a pre-released case study stimulus material. All four assessment objectives are tested fairly evenly, i.e. between 14-16% of the total 60% AS. The Edexcel exam is split into Section A - Six supported multi-choice questions testing largely knowledge, application and analysis and Section B a set of seven extended response questions based on a mini case study which tests all four objectives, including evaluation. Students studying the Edexcel qualification have the advantage of weightings favouring knowledge and application, i.e. 60% of the AS marks available.</p> <p>The study of Investment Decisions and Final</p>

<p>Operational Management</p> <ul style="list-style-type: none"> Operational efficiency Organising production Quality Stock control Approaches to production 	<ul style="list-style-type: none"> Sales forecast Cash-flow forecasting Managing working capital Differences between cash & profit Why businesses fail <p>Managing other people</p> <ul style="list-style-type: none"> Organisational structures Recruitment and training Motivation of staff How managers can get the best from staff Reduction of labour costs 	<p>Accounts is postponed for Edexcel students to Unit 4 which are also deemed A Level study material by AQA</p> <p>Leadership is studied across Units 1 and 2 for Edexcel</p> <p>Pricing strategies do not feature at AS for OCR; this is postponed to A Level optional Unit 3, F293 Marketing.</p> <p>Edexcel candidates will not study job, batch and flow; this is essentially a GCSE topic.</p> <p>Leadership styles and McGregor's Theory X and Theory Y are topics of study in Unit 1 for Edexcel candidates given the link with entrepreneurial characteristics.</p> <p>The study of motivational theorists, Mayo, Peters and Drucker is not specified by Edexcel</p>
<p>Unit 3 - Unit F293 Marketing <i>or</i> Unit F294 Accounting <i>or</i> Unit F295 People in Organisations <i>or</i> F296 Business Production Strategies (20% of A Level)</p> <p>Marketing</p> <ul style="list-style-type: none"> The market Market segmentation Market research Marketing planning Models of marketing The marketing mix <p>Accounting</p>	<p>Unit 3 - 6BS03 International Business (25% of A Level)</p> <p>Why does a business seek international markets?</p> <ul style="list-style-type: none"> Product conditions Market conditions <p>Key Players in the world economy</p> <ul style="list-style-type: none"> India and China Population size Economic growth and export rates Purchasing power and foreign investment Barriers to entry/trade opportunities 	<p>Significantly for OCR candidates there is a choice of Unit which essentially gives candidates the opportunity to study a functional area in more depth, i.e. build on Unit 2. These Units are therefore 'partly synoptic'. Candidates are required to answer six questions based on an unseen case study stimulus material.</p> <p>The Edexcel exam is split into Section A - questions based on data and Section B - a set of extended response questions based on a case study; both sections test all four objectives, including evaluation.</p>

<ul style="list-style-type: none"> • Accounting perspectives • Accounting concepts • Sources of finance • Budgets • Costs and costing • Final accounts • Accounting for decisions <p>People in Organisations</p> <ul style="list-style-type: none"> • Human resources function • Communication of business objectives • Organisation and controlling the activities of people at work • Employer/employee relations • Employee participation • Methods of remuneration • Training • Appraisal • Workforce performance measurement criteria <p>Business Production</p> <ul style="list-style-type: none"> • Management and the production process • Constraints on production • Costs and costings • Productive efficiency • Technology • Research and development 	<p>How does a company decide which countries to target?</p> <ul style="list-style-type: none"> • India and China • Population size • Economic growth and export rates <p>Other considerations before trading internationally</p> <ul style="list-style-type: none"> • Responsibility to stakeholders • Social/cultural differences in doing business • The purpose of tariffs, laws, quotas <p>Globalisation</p> <ul style="list-style-type: none"> • Global industries • Global marketing • Global niche markets <p>Are multinationals a force for good or should they be controlled?</p> <ul style="list-style-type: none"> • Benefits to overseas countries • Negative impact of MNCs • Can MNCs be controlled? 	<p>The topics and nature of the Edexcel Unit is quite a departure from legacy specifications in GCE Business Studies, which makes it very contemporary. There are aspects of the Unit which are very new and increasingly relevant, e.g. India and China. There are also aspects which are not so new but have been housed in a global context, e.g. 'social and cultural differences in doing business' which appear in the Marketing option in OCR's Unit 3.</p> <p>Some of the content in the OCR Optional Units specification is studied at AS for Edexcel students, e.g. market segmentation and market research (Unit 1); marketing planning and the marketing mix (Unit 2). However, the level of study is not necessarily the same (absorption and contribution pricing apply to OCR and not to Edexcel) and there is some departure from the Edexcel specification altogether, e.g. models of marketing.</p> <p>The observations in the above paragraph also apply to the other Optional Units essentially expand on the functional areas of business management, which is to be expected.</p> <p>On the other hand there is content in all of the Optional Units for OCR which appear in Unit 4 of the Edexcel specification, e.g. economies and diseconomies of scale features in OCR Optional Unit Business Production.</p>
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<p>Unit 4 - F297 Strategic Management Business Objectives and Strategy</p> <ul style="list-style-type: none"> • Objectives • Planning • Stakeholder objectives <p>Business Analysis</p> <ul style="list-style-type: none"> • Market analysis • Forecasting • Data analysis • Decision-making • Measures of business performance <p>External Influences</p> <ul style="list-style-type: none"> • Macro-factors • Legal issues • Political and social issues • Technological factors • Environmental issues <p>Change</p> <ul style="list-style-type: none"> • Communication methodology • Causes and management of • Crisis and contingency management • Role of trade unions, conflict 	<p>Unit 4 - 6BS04 Making Business Decisions Corporate Objectives and Strategy</p> <ul style="list-style-type: none"> • Corporate objectives • Stakeholder influences • Corporate culture • Corporate strategy <p>Making Strategic Decisions</p> <ul style="list-style-type: none"> • Decision making model • Investment appraisal • Decision trees • Project planning and network analysis • Contribution; special order decisions • Business contingency planning <p>Assessing Competitiveness</p> <ul style="list-style-type: none"> • Interpretation of financial accounts • Human resource competitiveness <p>Company Growth</p> <ul style="list-style-type: none"> • Nature of company growth • Effects of growth 	<p>The first two elements of these units are quite comparable across OCR and Edexcel, largely because they focus on the internal issues and constraints. The significant difference for the OCR spec is that candidates are required to use SLEPT/LEPEST analysis based on knowledge and understanding of the external environment which is something which is gained across the AS Units for GCE Business Studies and more significantly for those candidates studying the Edexcel GCE in Economics and Business</p> <p>Corporate culture is a topic of study for OCR students who opt for Unit F295 People in Organisations</p> <p>The Change element of OCR specification is presented as a discrete set of questions covering a range of aspects to business management. This may prove difficult to map in a scheme of work and thus monitor the delivery of.</p>



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