



# GCSE

## Edexcel GCSE in Applied Business (Double Award) (2306)

For first award in 2006

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Specification

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This specification is Issue 2 and is valid for examination from January 2006. Key changes to requirements are sidelined. Centres will be informed in the event of any necessary future changes to this specification. The latest issue can be found on the Edexcel website, [www.edexcel.org.uk](http://www.edexcel.org.uk)

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# GCSE in Applied Business (Double Award)

## Specification summary

### GCSEs in vocational subjects

A range of GCSE (Double Award) specifications in vocational subjects has been introduced to replace and extend the range of Part One GNVQ courses at Levels 1 and 2 of the National Framework of Qualifications. They can be taken as two-year or one-year courses.

### Edexcel GCSE in Applied Business (Double Award)

The Edexcel GCSE in Applied Business has been designed to provide a broad educational basis for training, further education or for moving into employment within the business sector. The QCA Qualification Accreditation Number is 100/2081/0.

### Specification structure

The specification consists of three compulsory units, which are equally weighted. Two units are internally assessed through the production of portfolios, and one is externally assessed by a written test. There are external assessment opportunities in January and June and moderation of internal assessment in June.

Unit content	Assessment
<b>Unit 1: Investigating Business</b> A review of business aims and objectives, types of ownership, location choice, structure, functional areas, communications' arrangements, market competition, economic conditions and environmental constraints.	<b>Internal assessment:</b> An investigation of two contrasting businesses.
<b>Unit 2: People and Business</b> A review of the role of stakeholders, employee job roles, employer/employee rights and responsibilities, conflict resolution, recruitment, customer service and consumer protection.	<b>Internal assessment:</b> An investigation of a medium to large-sized organisation.
<b>Unit 3: Business Finance</b> A review of transaction records, payment arrangements, break even, cash flow and budgetary management, profit and loss calculation, use of balance sheets, sources of finance and financial planning.	<b>External assessment:</b> This unit will be assessed by an untiered external test of one and a half hour's duration. The test will involve a combination of short and extended answers.

# Introduction

## Rationale

GCSE (Double Awards) in vocational subjects cover both Levels 1 and 2 (Foundation and Intermediate levels) of the National Framework of Qualifications. They replace and extend the range of Part One GNVQs and are at an equivalent level to Foundation and Intermediate GNVQs and to NVQs at Levels 1 and 2.

The aims of these GCSEs are to:

- widen participation in vocationally-related learning pre-16
- allow students to experience vocationally-related learning, to see if it is suitable for them
- enable students to make valid personal choices on completion of the qualification
- encourage post-16 students to try a vocationally-related course, where maybe another programme has previously not proved appropriate for them
- to raise attainment at Levels 1 and 2/foundation and intermediate levels of the National Framework of Qualifications.

The broad objectives of these GCSEs are to:

- introduce students to work-related learning
- provide students with an overview of the sector
- give students the technical knowledge, skills and understanding associated with the subject at these levels
- equip students with some of the skills they will need in the workplace or in further education or training
- empower students to take charge of their own learning and development
- provide a range of teaching, learning and assessment styles to motivate students to achieve the best they can.

These GCSEs contribute to the quality and coherence of provision nationally, as shown by:

- the consultation undertaken by QCA in autumn 2000
- the positive Ofsted reports relating to Part One GNVQs (on which these GCSEs are based)
- their clear place in the Government's vision for secondary education in the future.

The GCSE in Applied Business (Double Award) has been designed to provide a broad educational basis for further training, further education or for moving into employment within the business sector. This is achieved by ensuring that students develop the general skills, knowledge and understanding needed within the sector. This specification conforms to the subject criteria for GCSE specifications in Applied Business, which set out the knowledge, understanding, skills and schemes of assessment common to all GCSE specifications in the subject. Subject criteria help ensure consistent and comparable standards in the same subject area across awarding bodies and help further and higher education institutions and employers know what has been studied and assessed.

## Aims

The aims of the GCSE specifications in Applied Business are to:

- prepare students for progression to employment and/or further training in the business sector through the development of the required knowledge, skills and understanding
- increase students' knowledge and understanding of the business sector through the investigation, analysis and evaluation of a range of business activities, functions and processes
- develop students' awareness of the considerations involved in business activity as seen from a wide range of contrasting stakeholder viewpoints
- promote a critical and analytical approach to problem solving within the vocational context
- empower students to take progressive responsibility for their own learning and development
- provide a range of learning experiences which will enrich students' awareness of the variety of human activities and relationships.

## Access

Edexcel's policy concerning access to our qualifications is that:

- they must be available to anyone who is capable of reaching the required standard
- they must be free from barriers that restrict access and progression
- equal opportunities exist for all students.

## Recommended prior learning

Students embarking on a GCSE in Applied Business should have achieved a general educational level equivalent to Level 3 of the National Curriculum or Entry Level 3 in the National Qualifications Framework. They would find the following learning, skills and aptitudes helpful:

- basic proficiency in literacy
- basic proficiency in numeracy
- some aptitude for computers
- some motivation to work independently.

## Progression

This qualification supports progression into further education, training or employment. Appropriate further education includes GCE, VCE or other vocationally-related qualifications such as GNVQ and BTEC Firsts and Nationals. Appropriate training includes Modern Apprenticeships or the NVQs in Administration, Customer Service and Accounting.

## Links with other qualifications, forbidden combinations and classification code

This specification has significant overlap of content with the Edexcel and Intermediate GNVQs in Business.

Students entering for this specification may not, in the same series of examinations, enter for:

- GCSEs and Short Course GCSEs with 'Business' in the title
- Foundation and Intermediate six-unit GNVQs in Business.

Every specification is assigned a national classification code indicating the subject area to which it belongs. The classification code for this specification is 002.

Centres should be aware that students who enter for more than one Level 1 or Level 2 qualification with the same classification code will have only one grade (the highest) counted for the purpose of the school and college performance tables.

## Subject content

### Unit titles

The specification consists of three compulsory units:

- *Unit 1: Investigating Business*
- *Unit 2: People and Business*
- *Unit 3: Business Finance.*

### Unit structure

Each unit is made up of a number of sections, some of which are directed at the student while others are directed at the teacher. The sections are:

#### *About this unit*

This section provides an introduction to the content of the unit and states its relationship, if any, to other units. It also states the form of assessment for the unit.

#### *What you need to learn*

This section states what students need to know and be able to do to achieve the unit.

#### *Assessment evidence (for internally assessed units only)*

This section starts with an outline for the students of the tasks they need to carry out and the types of evidence they need to produce. It is followed by the marking grid to be used by the person assessing the evidence. This grid is the only version to be used for assessment purposes, but teachers may prefer to adapt it for students and incorporate it into a centre-produced guidance document.

#### *Guidance for teachers*

This section gives suggestions for appropriate delivery strategies, and develops the information in the marking grid to give further guidance on how marks should be allocated. It also gives suggestions for associated resources.



## Relationship to National Occupational Standards

Details of how this specification relates to National Occupational Standards can be found on the QCA website, [www.qca.org.uk](http://www.qca.org.uk)

## Assessment

### Statutory requirements

All assessment of this specification will be carried out in accordance with the GCSE, GCE, VCE and GNVQ Code of Practice, published annually by the regulatory authorities.

### Scheme of assessment

The three units are equally weighted. Students must produce an internally-assessed portfolio for each of Units 1 and 2, and take an externally-assessed test for Unit 3.

Unit	Unit code	Weighting	Assessment
Unit 1:	5306	33.3%	<b>Internal assessment</b> an investigation of two contrasting businesses.
Unit 2:	5307	33.3%	<b>Internal assessment</b> an investigation of a medium to large-sized organisation.
Unit 3:	5308	33.3%	<b>External assessment</b> this unit will be assessed by an untiered external test of one and a half-hour's duration. The test will involve a combination of short and extended answers.

## Assessment objectives

There are three assessment objectives for GCSEs in Applied Business. These detail the knowledge, skills and understanding that the student is required to demonstrate.

Students are required to:

<b>AO1</b>	demonstrate and apply knowledge and understanding of the specified subject content using appropriate terms, concepts, theories and methods to address problems and issues
<b>AO2</b>	plan and carry out investigations of issues by gathering, selecting, recording and analysing relevant information and evidence
<b>AO3</b>	evaluate evidence, make reasoned judgements and present conclusions.

For this specification, the weightings for each assessment objective are:

	<b>Unit 1</b>	<b>Unit 2</b>	<b>Unit 3</b>	<b>Total for specification</b>
<b>AO1</b>	44%	40%	60–75%	48–53%
<b>AO2</b>	34%	34%	10–15%	26–28%
<b>AO3</b>	22%	26%	15–20%	21–23%

## Grade descriptions

Grade descriptions for this subject are provided in *Appendix A* at the end of this specification. They indicate the level of attainment that is characteristic of grades A, C and F. The actual grade awarded to a student will depend in practice on the extent to which the student has met the assessment objectives overall. Shortcomings in some aspects of assessment may be balanced by better performance in others.

## External assessment

Unit 3 is assessed by a single test that will be set and marked by Edexcel. The test is untiered and will be targeted at students across the ability range A\*–G. The test will consist of a combination of short and extended answer questions, all of which must be attempted.

## Internal assessment

### Supervision of students and authentication of work submitted

Students must submit a portfolio of work for each of Units 1 and 2. Teachers are expected to guide and advise students in the production of their portfolios. Teachers should monitor progress to ensure that the work is appropriate for the requirements of the specification.

While some work, particularly in the early planning stages, may take place in groups, the input of the individual student should be clearly identified, and the judgements and conclusions reached must be their own. The GCSE, GCE, VCE and GNVQ Code of Practice requires that assessors record full details of the nature of any assistance given to individual students that is beyond that of the teaching group as a whole, but within the parameters laid down in this specification. The level of assistance should be taken into account when assessing students' work, as indicated in the guidance section that accompanies each internally-assessed unit in this specification. In addition, sufficient work must take place under direct supervision to allow the teacher marking the work to authenticate each student's work with confidence.

If students' practical skills are being assessed it is important that witness statements/checklists are completed by assessors to authenticate student work and provide evidence that students have achieved the level of performance required in the assessment grid.

## Applying the mark bands

Portfolios will be marked by the centre, and externally moderated by Edexcel. Each of the internally-assessed units has a marking grid, divided into three broad mark bands, showing how to award marks in relation to the task and the assessment objectives. The marking grids indicate the required assessment outcomes as well as the quality of the outcomes needed for achievement in each of the mark bands. Mark band 1 relates to the expectations given in the grade description for grade F; mark band 2 relates to the expectations for grade C, and mark band 3 relates to the expectations for grade A. For further information on grading, see the section *Grading and aggregation* on page 8.

In general terms, progression across the bands is characterised by:

- increasing breadth and depth of understanding
- increasing coherence, evaluation and analysis
- increasing independence and originality.

The unit marking grid shows the allocation of marks by assessment criterion and by mark band. This grid should be used to determine marks for student achievement in each unit. Students can achieve marks in different bands for each assessment objective. The total mark achieved will depend on the extent to which the student has met the assessment criteria overall.

Within each assessment criterion, it is a general principle that shortcomings in some aspects of the assessment requirements may be balanced by better performance in others. However it is also important to note that for full marks in any particular assessment criterion, all the requirements should have been met.

Marks should not be awarded on the basis of a 'tick list' of factual content but on the overall response as it relates to the requirements stated within each mark band. Assessors should adopt a holistic approach and apply their professional judgement. The *Guidance for teachers* section in each unit gives specific details of how marks should be allocated.

There should be no reluctance to use the full mark range and, if warranted, assessors should award maximum marks. Students' responses should be considered positively. A mark of 0 should only be awarded where the student's work does not meet any of the required criteria.

For internal record-keeping purposes, centres may wish to make a copy of the marking grid for each student and use it to record the mark for that unit. The *GCSE, GCE, GNVQ Code of Practice* requires assessors to show clearly how credit has been assigned. Guidance on how this may be done will be included in the separate support material that will accompany this specification.

## Standardisation and moderation

Where marking for this specification has been carried out by more than one assessor in a centre, there must be a process of internal standardisation carried out to ensure that there is a consistent application of the criteria laid down in the marking grids.

Marks awarded by the centre will be subject to external moderation by Edexcel. This is to ensure consistency with national standards. A sample of student portfolios will be examined, and marks will be adjusted where they are found to vary from the national standard. If the moderation process reveals an inconsistent application of the assessment criteria by centre assessors, Edexcel reserves the right to return the sample work in order for internal standardisation to be carried out.

External moderation will take place at the end of the course.

## Availability of external assessment and moderation

	January	June
Unit 1	X	✓
Unit 2	X	✓
Unit 3	✓	✓

The availability of the externally assessed unit in the January series will be kept under review.

## Grading and aggregation

The mark bands used for internal assessment do not relate to pre-determined grade boundaries. Following each examination and moderation series Edexcel will set the grade boundaries for the two internally-assessed units and the externally-assessed unit at an awarding meeting.

The raw mark boundaries will be converted to uniform marks on a scale of 0–100. The final grade for the qualification will be determined by aggregating the uniform marks for the three units. The following table gives details of the uniform mark scales (UMS) used for the units and for the qualifications.

### Unit results

The minimum uniform marks required for each grade are:

Unit grade	A*	A	B	C	D	E	F	G
Maximum uniform mark = 100	90	80	70	60	50	40	30	20

Candidates who do not achieve the standard required for a grade G will receive a uniform mark in the range 0–19 and will be recorded as U (unclassified).

## Qualification results

The minimum uniform marks required for each grade are:

Qualification grade	<b>A*A*</b>	<b>AA</b>	<b>BB</b>	<b>CC</b>	<b>DD</b>	<b>EE</b>	<b>FF</b>	<b>GG</b>
Maximum uniform mark = 300	<b>270</b>	<b>240</b>	<b>210</b>	<b>180</b>	<b>150</b>	<b>120</b>	<b>90</b>	<b>60</b>

Candidates who do not achieve the standard required for a grade GG will receive a uniform mark in the range 0–59 and will be recorded as U (unclassified).

## Resits

Students may only resit each assessment component once prior to certification. Students may, however, retake the whole qualification more than once.

Individual assessment results, prior to certification of the qualification, have a shelf-life limited only by the shelf-life of the specifications when they are used to contribute to the qualification.

## Students with particular requirements

Students with special requirements may require additional support, for example technical aids or specially devised or adapted methods of assessment, with additional time allowed if necessary.

Edexcel will assess whether special considerations or concessions can, or need to be, made for students with particular requirements. Requests should be addressed to:

Special Requirements  
Edexcel  
One90 High Holborn  
London WC1V 7BH

## Language of assessment

Assessment of this specification will be available in English only. Assessment materials will be published in English only and all written and spoken work submitted for examination and moderation must be produced in English.

## The wider curriculum

### Key skills

This specification provides opportunities for developing and generating evidence for assessing the key skills listed below:

- application of number
- communication

- information technology
- improving own learning and performance
- problem solving
- working with others.

*Appendices B and C* in this specification map the opportunities available at Levels 1 and 2 respectively. Where appropriate, these opportunities should be directly cross-referenced, at specified level(s), to the criteria listed in Part B of the key skills specifications.

### Spiritual, moral, ethical, social and cultural (SMESC) links

This specification provides opportunities for developing a range of spiritual, moral, ethical, social and cultural issues, together with citizenship, environmental issues and the European dimension. *Appendix D* maps the opportunities available.

## Teacher support

There is a full range of support material designed for each GCSE in a vocational subject. The range includes:

- specimen tests and associated mark schemes
- sample materials for delivering the units — tutor support packs
- sample materials for assessing the internal units
- Chief Examiner reports
- the Edexcel website — [www.edexcel.org.uk](http://www.edexcel.org.uk)

Edexcel delivers a full INSET programme to support these GCSEs. This includes generic and subject-specific conferences, seminars, workshops and customised events for individual centres.

Further information on INSET programmes can be obtained from Customer Services on 0870 240 9800 (calls may be recorded for training purposes).

Information concerning support material can be obtained from:

Edexcel Publications  
 Adamsway  
 Mansfield  
 Nottinghamshire NG18 4FN

Telephone: 01623 467 467  
 Fax: 01623 450481  
 Email: [publications@linneydirect.com](mailto:publications@linneydirect.com)

# Unit 1: Investigating Business

## ABOUT THIS UNIT

This unit helps you to understand how businesses organise themselves in order to meet their aims and objectives. You will investigate how ownership affects the running of the business. You will explore businesses that produce a range of different goods and services and find out how such business activities are changing in the UK as a whole. You will investigate the different functional areas of a business, how they affect each other and how they communicate.

Every business is part of a wider business world in which there are many different influences. Businesses cannot always control these influences, but they have to find ways of responding to them. You will look at the ways in which businesses sell their products, how they choose locations, how they introduce and use new technology and how they might try to produce goods and services competitively without harming the environment.

You will investigate two contrasting businesses in detail. You will find out about their type of ownership, what they do and how they are developing in response to different external influences. You will need to understand how the businesses you are investigating fit into the wider business world and which influences have the most effect on them.

Throughout this unit it is assumed that the term 'products' includes both goods and services.

This unit has links with *Unit 2: People and Business* and *Unit 3: Business Finance*. It prepares you for further education, training or employment.

**This unit will be internally assessed through a portfolio of evidence. Your result for this unit will be a mark from 0–100 which can be related to an equivalent grade.**

## WHAT YOU NEED TO LEARN

### Aims and objectives

All businesses have aims to help them plan and set targets for what they want to achieve. A business might aim to:

- make a profit
- provide goods and services to the local or wider community
- survive as a business or expand
- maximise sales or improve the quality of a product
- provide a highly competitive service
- provide charitable or voluntary services
- be environmentally friendly.

Businesses then decide on measurable objectives in order to achieve their aims. Objectives can set targets and challenges for the business, for example:

- providing more services than in the previous year
- producing new goods or providing a new service
- improving a product.

You will be able to identify aims and objectives of different businesses by looking closely at their activities and by discussing these activities with business people. Business websites may provide a good source of study. You need to find out how businesses use objectives to judge their success.

### **Ownership**

There are several different types of business ownership. You will find out that, depending on the type of ownership, the owners have different responsibilities and involvement in a business. One aspect of this is who bears the business risk and whether the owners have limited or unlimited liability. Different types of ownership are:

- sole trader
- partnership
- company
- co-operative
- franchise
- public sector.

You will need to find out the main features of these types of ownership. You will also need to understand why the businesses you investigate have a particular type of ownership.

### **Business location**

There are many factors that affect the choice of business location. Businesses may need to be close to customers, to competitors or to be near suppliers and skilled employees. You need to find out how the following may have influenced the location of business in your area:

- the number of people with appropriate skills available to work in a particular area
- the cost of labour
- the cost of premises
- local government charges
- financial help (eg local, national or European funding)
- transport links for supplies and distribution
- the need to be where customers are
- history and tradition
- sales techniques (telephone, internet and mail order).

### **Business activity**

Businesses carry out one or more activities. As you investigate your selected businesses you will need to decide what their main activities are and whether they are involved with goods, services or both.

Examples of activities include:

- sale of goods (eg retail, wholesale, mail order, internet)
- manufacturing of goods (eg consumer goods such as radios and capital goods such as machine tools)
- producing raw goods (eg agriculture and fishing for food, forestry and mining for materials)
- client services (eg financial, health care, leisure and sport, internet access)
- other services (eg transport and communications).



You will need to find out about the number of businesses involved in each of these different activities and the changes taking place in these activities in recent years.

Examples of important changes include:

- the level of consumer spending on different goods and services
- the number of people employed in different activities
- the value of the goods and services produced
- the effects of technological developments.

You need to consider how these changes might affect the businesses you are investigating.

### **Functional areas within the business**

To make goods and/or provide services a business has to carry out a range of functions, including:

- human resources
- finance
- administration and IT support
- operations
- marketing and sales
- customer service
- research and development.

You will look in detail at these functional areas of two businesses (mostly here in Unit 1 but also in Unit 2) and assess how well they are helping to support the businesses' aims and objectives. You will look at ways in which the use of IT allows more flexibility in carrying out these functions.

### **Human resources**

Businesses want to recruit the best employees and make sure they work effectively and safely. The responsibility for these tasks rests with human resources staff. They are involved with:

- recruitment, retention and dismissal
- working conditions
- training, development and promotion
- employee organisations and unions
- health and safety.

You will need a brief overview of these activities and how the work of human resources affects other people working in the business. (Note: a detailed understanding of the work of human resources will be required in Unit 2).

### **Finance**

Businesses need to manage all the money coming in and going out of the business. They also need to understand this information in order to plan what to do next. All businesses deal with:

- preparing accounts
- paying wages and salaries
- obtaining capital and resources.

You will need an overview of how the businesses deal with these aspects of finance. You will also need to understand how the work of finance affects other areas. (Note: a detailed understanding of the work of finance will be required in Unit 3.)

### **Administration and IT support**

The administration and IT support function helps a business to run smoothly from day to day. It could cover a number of different tasks, such as:

- clerical work, collecting and distributing mail, keeping records, organising meetings, responding to enquiries
- cleaning and maintenance
- health and safety
- security
- support for software applications (word-processing, payroll, accounts, database etc), electronic communications and electronic transactions.

You will need to understand how these activities are organised, how computer technology assists the process, and how good administration helps to make businesses run more efficiently and effectively.

### **Operations**

Businesses have to obtain, organise and use a variety of resources including people and equipment. The operations' task is to produce goods and services by making the best use of:

- buildings and land (eg offices, factories, shops, farmland)
- equipment (eg vehicles, computers, machinery)
- people (eg operators, managers, support staff, specialists)
- materials (eg products for retailing, raw materials).

You will need to find out what kinds of resources the businesses need to carry out their main business activities — whether this is making goods or providing a service — and why they need them. You will need to find out how quality is checked and improved and if the businesses use automation or computer-aided processes in their production (eg robots, CAD/CAM).

### **Marketing and sales**

Businesses meet customers' needs through a range of activities. These activities include:

- market research
- promotion
- sales.

You will need to understand how these activities are carried out by the businesses and how they help to meet the businesses' aims and objectives. You need to find out how IT is, or could be, used by the businesses you are investigating to promote sales.

### **Customer service**

All businesses depend on their customers to buy goods or use services. In return, customers expect goods and services to be available when they want them, to be safe and reliable, and to offer value for money.

To develop a good relationship with their customers, businesses provide a range of customer services, including:

- providing information
- giving advice
- providing credit facilities
- delivering goods
- providing an after-sales service.

You will need a brief overview of these activities and how the work of customer services affects other people working in the businesses. (Note: a detailed understanding of the work of customer services will be required in Unit 2).

### **Research and development**

You will need to understand how and why businesses research markets and products and how research can aid development. You need to consider how IT has helped some businesses with market research. You will also need to understand that in order to remain competitive, businesses need to develop new goods and services and update existing ones.

### **The use of IT**

As you investigate these different functional areas, you need to consider how IT might be best used to cut costs and to improve goods and services. Examples might include:

- electronic communications between departments (eg email and use of intranet)
- facilities to share common data (eg stores records, employee records, financial data, orders)
- security systems, (eg virus protection, backup against loss, confidentiality/password protection)
- external communications (eg email, market research, use of the internet for marketing and sales)
- online support for customers (eg order progress, new products, sales, response to queries)
- electronic transactions (bar code systems, sales, stock control, orders, invoices, electronic funds transfer).

### **Business communications**

As business people carry out their different tasks, they have to communicate with other people:

- within their functional area
- outside their functional area
- outside of the business as a whole.

In order to communicate well with others, business people might use:

- oral communication (eg telephones, meetings, telephone conferencing)
- video communication (eg video conferencing, internet video link)
- written communication (eg memos, letters, financial documents, advertisements, email attachments/documents)
- graphical communication (eg production drawings, on screen graphics, graphics via the internet).

You will need to find out about the wide variety of different methods of communication used by businesses and which method might be most appropriate for different business needs.

## **External influences**

Businesses can manage much of their own world but there are external influences to which they have to respond and over which they have less control. These external influences include:

- their business competitors
- economic conditions
- environmental constraints.

In order to be successful a business must be able to respond to any changes brought about by these external influences.

## **Business competitors**

Most businesses face some kind of competition from others as they try to win and retain customers.

You need to consider the main features which make products competitive, including:

- price
- quality
- availability.

You need to identify the ways in which different products can be linked to different kinds of customers according to:

- age
- gender
- income
- lifestyle
- where they live.

The use of new technologies such as telephone sales and the internet have made it possible for businesses around the world to compete for customers who have IT access. With this in mind, you need to identify possible competitors for the businesses you investigate. These competitors could be:

- local
- national
- international.

## **Economic conditions**

However well a business manages its own activities, its success will depend on conditions in the economy as a whole. A business can be affected by changes in:

- interest rates (eg increasing the cost of a loan to pay for new machinery)
- prices (eg a general increase in the price of raw materials)
- exchange rates (eg making UK goods more expensive for foreign customers).

The government of the day is expected to manage the national economy so that:

- businesses can confidently plan their future activities
- customers can plan their spending and saving activities.

You need to identify how the businesses you are investigating and their customers might be affected by changes in economic conditions.

## **Environmental constraints**

Many business activities can have damaging effects on the quality of the local and national environment. As a result, laws have been made to prevent, wherever possible, damage to people and to natural resources. These laws constrain irresponsible businesses, but as a result, responsible businesses often set higher standards for themselves.

You need to find out how business activity may cause:

- air pollution
- noise pollution
- water pollution
- wasteful use of resources.

You need to find out about current laws which prevent harmful waste products being released and which regulate business activity when located close to residential areas.

## ASSESSMENT EVIDENCE — UNIT 1: INVESTIGATING BUSINESS

You need to produce a portfolio assignment based on your investigation of two contrasting business organisations. You should include information selected from your own investigation, commenting on each organisation in the following areas:

- the activities of each organisation, illustrating how these enable each one to meet its aims and objectives
- the purposes and activities of ONE organisation's functional areas, together with information on the main types of internal and external communication
- the type of ownership of each organisation, the liabilities of each organisation's owners and the reasons for the organisation's choice of location
- the main external influences affecting both organisations, including reference to competition, economic conditions and environmental constraints.

**ASSESSOR'S MARKING GRID** (Please see also the section *Assessment guidance* on page 23.)

	<b>Mark band 1</b> At this level work must show:	<b>Mark range</b>	<b>Mark band 2</b> At this level work must show:	<b>Mark range</b>	<b>Mark band 3</b> At this level work must show:	<b>Mark range</b>	<b>Mark awarded</b>
(a) <b>AO1</b> <b>AO2</b> <b>AO3</b> <b>11 marks</b>	<ul style="list-style-type: none"> <li>a description of each organisation's activities; some attempt to show how these enable each organisation to meet its aims and objectives</li> </ul>	1–5	<ul style="list-style-type: none"> <li>a clear explanation of each organisation's activities and how these enable each organisation to meet its aims and objectives</li> </ul>	6–8	<ul style="list-style-type: none"> <li>a thorough account of each organisation's activities; a detailed analysis of how these may need to adapt in order to ensure that aims and objectives continue to be met over time</li> </ul>	9–11	
(b) <b>AO1</b> <b>AO2</b> <b>AO3</b> <b>11 marks</b>	<ul style="list-style-type: none"> <li>a description of some of the purposes and activities of ONE organisation's functional areas. A description of the main internal and external communication used in ONE organisation</li> </ul>	1–5	<ul style="list-style-type: none"> <li>a clear explanation of the purposes and activities of ONE organisation's functional areas. A clear explanation of the main types of internal and external communication used</li> </ul>	6–8	<ul style="list-style-type: none"> <li>a thorough account of the purposes and activities of ONE organisation's functional areas. A detailed analysis of how the main types of internal and external communication used supports the work of these functional areas</li> </ul>	9–11	

**ASSESSOR'S MARKING GRID** (Please see also the section *Assessment guidance* on page 23.)

	<b>Mark band 1</b> At this level work must show:	<b>Mark range</b>	<b>Mark band 2</b> At this level work must show:	<b>Mark range</b>	<b>Mark band 3</b> At this level work must show:	<b>Mark range</b>	<b>Mark awarded</b>	
(c) <b>AO1</b> <b>AO2</b> <b>AO3</b> <b>17 marks</b>	<ul style="list-style-type: none"> <li>for each organisation, a description of the type of ownership, the nature of the owners' liabilities and some comment on the organisation's choice of location</li> </ul>	1–7	<ul style="list-style-type: none"> <li>for each organisation, a clear explanation of the type of ownership, the nature of the owners' liabilities and the main reasons for the choice of location</li> </ul>	8–12	<ul style="list-style-type: none"> <li>for each organisation, a detailed analysis of why the particular type of ownership may be appropriate and how this affects the owners' liabilities; a detailed assessment of the impact of location choice on overall organisational performance</li> </ul>	13–17		
(d) <b>AO1</b> <b>AO2</b> <b>AO3</b> <b>11 marks</b>	<ul style="list-style-type: none"> <li>a description of some of the main external influences on each organisation</li> </ul>	1–5	<ul style="list-style-type: none"> <li>a clear explanation of the impact on each organisation of key external influences, including market competition, economic conditions and environmental constraints</li> </ul>	6–8	<ul style="list-style-type: none"> <li>a detailed evaluation of each organisation's strengths and weaknesses in the face of market competition, economic conditions and environmental constraints; a detailed assessment of how the organisation could deal with such influences more effectively</li> </ul>	9–11		
<b>Total Unit Mark</b>							<b>50</b>	
<b>Student Unit Mark</b>								

## GUIDANCE FOR TEACHERS

### Delivery strategies

There is a tension in business education; on the one hand, students encounter an immediately obvious business world in the branded products they own or aspire to own, the companies they see promoted on TV and the retail or leisure businesses they frequent. On the other hand, many business studies courses and textbooks quickly immerse students in complexities of unlimited liability and structural hierarchies, with a consequent reduction in student interest.

It is therefore helpful to build business understanding in this unit with reference to a sequence of students' maturing encounters with the business world. This is all the more important because the target market of this course, ie Year 10 students, will benefit from taking this unit before Unit 2 and certainly before they attempt Unit 3 with its externally assessed test. Moreover, this knowledge will enrich students' experience of work placements which commonly take place during Year 10 and will also enhance their contribution during such a placement. A scheme of work which introduces breadth rather than depth therefore has merit in harnessing the considerable amount of business knowledge students already possess at this early stage in their GCSE experience. It will assure a foundation of early confidence in their capacity to investigate and focus knowledge and understanding in the direction of portfolio assignments.

Students may therefore be set assignments early in the course with the aim of researching organisations using question headings concerning:

- the name of the organisation
- the name of any branded products it may produce or supply
- its role in the consumer supply chain as either a producer, distributor or retailer
- its likely market in terms of customers
- its likely market in terms of competition
- its aims (leading to the distinction between revenue and profit after taking account of costs)
- the ways in which staff may be organised in carrying out different tasks or functions
- how the organisation has developed, ie key milestones in its history
- reasons for the particular choice of organisational location
- some of the sources of finance used by the organisation
- possible applications of ICT and communications arrangements commonly used
- possible customer service activities
- possible research and development activities
- possible responses to environmental concerns
- possible concerns about 'the state of the economy', eg reactions to possible variations in consumer spending or confidence.

It is important that such research activities help students make a confident and enjoyable start to their business education. Armed with their early research findings, they may make verbal presentations, create attractive wall displays, write up polished pieces of finished work, and illustrate their findings with photographs either shot locally, downloaded from the web or taken from company reports. Students may then learn from one another via a collaborative learning environment. Indeed, even the opportunity to travel, either locally or further afield, to visit a range of organisations, can be of great educational benefit.



Such an initial departure then creates a context whose gaps can be filled by more structured and focused study. It is therefore key that teachers assist students in researching and using evidence, possibly in the form of articles from reputable news sources, internet websites and local visits.

Teachers will need to supervise carefully their students' choice of organisations for investigation in order to ensure they afford access to organisations willing and able to supply appropriate information. This choice may take time to get right and teachers should help students avoid the attraction of either major brand name corporations or small local businesses, each of which may fail to prove a productive source of research evidence. Indeed, teachers can do much to compile a resource bank of information from their own research, which may then be analysed by students. This can help steer students towards productive activity and away from potentially time-wasting distractions. It is also obviously important that students enjoy the research experience and are not discouraged by engaging in activity which ultimately proves to be unproductive. The balance between student reliance upon centre-devised materials and their own research will obviously contribute to their achievement against Assessment Objective 2. Centres will also need to ensure that where students work in pairs or groups, each student's work is individual and distinctive, with no evidence of plagiarism.

### **Activities, aims and objectives**

Delivery staff may explore the topic of business aims and objectives with reference to broad goals of service delivery, allowing students to research and investigate the activities of governmental and non-governmental agencies involved in the supply of goods and services including commercial, local amenities, charitable and voluntary-funded facilities. This knowledge and understanding may be supported by examples beyond the two principal firms under study to illustrate the points made (eg involvement with Mercedes in the Smart car project of a seemingly unrelated company like SMH, makers of Swatch watches, anxious to credify its global reputation in the field of design). The reference to 'problems and issues' in the assessment objectives should attract students keen to demonstrate their applications of business knowledge to such scenarios (eg the case of engineering firm Ove Arup seeking to rectify the undesired 'wobble' on London's Millennium Bridge because of the implications for its corporate image). Another scenario might be the decision by a Premier League football club to 'poach' or encourage the transfer of a player from a rival club in order to enhance its reputation in the face of a disappointing season's goal averages. This leads naturally into questions of business performance monitoring, review, evaluation, target setting, strategic planning and further monitoring, (all practices which tutorial staff will be encouraging students to apply to their own personal development). Disputes and disagreements over such goals and strategies (eg profit before safety with respect to air traffic control or the London Underground) lead naturally into discussions of industrial relations, conflict resolution and differences in stakeholder perspective.

### **Functional areas and communication**

Students should be able to research the main functional areas of organisations without great difficulty, progressing from simple to complex organisations. Case studies should illustrate these different areas for a range of organisations. Students may then be involved in the process of communication using a variety of methods and considering the suitability of each. Role-play and face-to-face meetings or presentations may be considered here as an opportunity to broaden students' learning experiences. Finally, these two topics may be brought together to consider the part played by communication in supporting the work of functional areas, eg the use of platform observation cameras on the rail network to warn oncoming train drivers of platform overcrowding. Another example would be the use of optical character recognition technology to create tracking data enabling courier firms such as Federal Express to expedite global package handling.

## **Ownership, liability and location**

The potentially difficult topic of owner liability for business losses can be approached creatively through the ever-present threat of bankruptcy/insolvency for those organisations failing to cover their costs or trying to break even. This facilitates discussion of the distinction between limited and unlimited liability, and therefore of the relative role of companies compared to sole traders, partnerships, co-operatives and franchises. Analysing business activity according to Assessment Objective 2 may be carried out by considering an organisation's decision-making processes, for example the logic behind company formation or the retention of partnership arrangements. To achieve higher marks, candidates will have shown that they understand the different types of business ownership exemplified by the two contrasting businesses and the different levels of owner liability, responsibility and involvement that attach to them. They will also be making well-reasoned statements in relation to the choice of business location bearing in mind the kind and size of business being operated. This will require clear evidence of research, gathering, selecting and analysing the information received, eg in the case of those solicitors' firms which have forsaken partnership arrangements for limited company status. Such analysis should be clearly apparent in the case of business location, eg Microsoft near Cambridge, Courage Breweries on the M4 and JCB Excavators near Uttoxeter, Staffs.

Questions of organisational location arise readily as students consider specific examples in the light of market pressures and variations in consumer demand. This topic may be researched actively through students' own communities as various products rise and fall in popularity. Consequent variations in sales permit a link with production and operations management, costs and profitability calculations. Teachers are therefore encouraged to pursue business investigations by linking lines of enquiry as far as possible. Less obvious and more problematic detail may always be revisited at the concluding stage of such investigations.

## **External influences such as competition, economic conditions and environmental constraints**

Student work should consider major external pressures on businesses, ie market competition, variations in the business cycle and increasing public disquiet with socially irresponsible polluter corporations responsible for environmental damage. High quality work will make supported judgements on the significance of such factors. Examples might include how the internet is exposing British businesses to a wider field of competition, how the fear of recession may lead to a decline in consumer confidence and therefore sales, how legal victories for environmental groups suggest a raising of public accountability standards for corporations such as British Nuclear Fuels Limited (BNFL). These topics need to be introduced so that students can understand and explain factors shaping the economic and social context in which businesses operate.

The 'thorough account' identified in this category of the Assessment Grid refers to a wide-ranging body of knowledge lending support to an argument or judgement on the impact of external forces on the selected businesses. For example, a study of over-capacity in the car industry would support the judgement that Ford UK is subject to severe competitive pressure, or that growth in personal digital assistant (PDA) sales might lead companies such as Hewlett Packard to increase employment in areas such as South Wales which have historically experienced layoffs. A survey of opinion on UK adoption of the euro might lend support to the view that interest rates will progressively fall to European levels, therefore easing debt service costs. Local newspaper coverage of noise complaints by residents living near a particular night club might support the judgement that the business should consider relocation to a less residential area.

An environmental example would be the judgement that future trading prospects for major tobacco manufacturers in the UK will continue to deteriorate as awareness of the personal health risks of smoking becomes more widespread, given that such firms have undertaken limited product development in the field of nicotine substitutes such as ‘Cigalet’ nicotine gum. The judgement that corporations such as Virgin will continue to face difficult trading prospects, due to market factors such as depressed airline traffic and rail infrastructure problems, might be a similarly supportable viewpoint.

### **Summary**

The study programme outlined above may be drawn together at a number of stages in the course to marshal evidence for the internally-assessed assignment. This has the advantage of allowing students and teachers alike to monitor progress and give formative feedback, well in advance of final submission deadlines. Students will then have the opportunity to learn from early mistakes or difficulties in obtaining, understanding and presenting research information. Discussion will facilitate the processes of explaining complex aspects of business behaviour (analysis) and making reasoned judgements which are supported by evidence, variety of perspective and logical argument (evaluation).

In summary, this unit facilitates a student activity-centred approach, providing a wide variety of learner experiences to complement more formal study and presentation of work. There is considerable potential for students themselves to produce learning materials which will develop group momentum and encourage individual progress.

### **Assessment guidance**

This section should be read in conjunction with the general section *Applying the mark bands* on page 7.

This unit requires students to present evidence of two contrasting businesses. Where a student presents evidence of investigation relating only to one organisation, they will be unable to gain more than half the maximum marks to be allocated. Moreover the organisations should be engaged in different aspects of business activity such as retailing, manufacturing, service provision, or should be of significantly differing size. The investigation of two nationwide supermarket retailers or two local car dealer businesses, for example, would lack the degree of contrast required by this unit.

#### **Mark band 1**

##### **Assessment criterion (a) (1–5 marks)**

A description of two organisations’ major activities, showing how these reflect its aims, will be awarded 4–5 marks. Major activities are likely to be the two or three most obvious, and for full marks in this band there should be some simple description of each, such as ‘they have a workshop and spares department so they can carry out services on the whole range of Ford cars.’ Such work will feature a variety of aims such as to guarantee survival, to make a profit, to provide a community service or to play a leading role in a given market. Some attempt should be made to describe these aims and show how they may be accomplished through such activities as sales, distribution, customer service or the employment of research and development staff. However, in this mark band the distinction between aims and objectives may not be clearly understood and the links with activities may be implicit rather than explicit.

A more sketchy outline or list of activities such as sales and distribution with little or no connection to an aim such as making a profit, would merit 1–2 marks.

**Assessment criterion (b) (1–5 marks)**

This criterion addresses the student's ability to describe the purposes of functional activities as illustrated by some of their selected organisation's main departments or divisions. A description of three or more main functional areas such as administration, human resources and customer service is likely to be sufficient to merit 4–5 marks when accompanied by a description of some of the main communication techniques used in those areas. Examples might include the use of email for internal and external administration, face to face meetings for human resource issues and online support for customer service.

A description limited to only one or two functional areas such as sales and operations, accompanied by a general understanding of communication techniques such as use of the telephone or meetings, without clear application to examples or situations, would merit 1–2 marks.

**Assessment criterion (c) (1–7 marks)**

This criterion involves students in describing the types of ownership arrangement adopted by their selected organisations, together with some comment on the nature of owners' liabilities. It is not necessary that the student should select an example of both limited and unlimited liability. The work should be accompanied by further description of organisational location choices. Student work which describes such terms in the student's own language, as well as applying them to the selected organisations, would contribute to an allocation of 5–7 marks. For example, a description of Tesco as a public company with limited liability, or of a local shop being a sole trader with unlimited owner liability, will contribute towards such marks. Comment on the choice of location might be illustrated by a map or diagram showing a local branch of Tesco located in a particular retail mall or park. Comment on the regular situation of an ice cream van outside a local school might also contribute to such marks.

Student work which offers a sketchy or unclear description of ownership and liability, where for example company shareholders are not identified as owners or liability is not identified as limited, would contribute to the award of 1–2 marks. Similar marks would apply to comment which focused on only two of the three key issues of liability, ownership and location.

**Assessment criterion (d) (1–5 marks)**

Students should describe some of the external economic influences such as booms and slumps along with their effects on selected organisations indicated in terms of variations in total demand. Environmental pressures should be considered here to the extent that they apply to the chosen organisations; issues of pollution may relate more to manufacturers than retailers.

A clear description will merit 4–5 marks. An example would be a commentary on a car manufacturer suffering high competition and therefore needing to introduce new models frequently. A further example would be substantial price-cutting where sales are falling because of the fear of recession. Environmental concerns over air pollution from factories, as voiced by particular pressure groups such as Friends Of The Earth, would confirm a mark at the higher end of this band.

On the other hand work which offers vague descriptions and does not apply specifically to the chosen businesses would gain 1–3 marks. For example, vague comments on competition without reference to price, quality or numbers of other market suppliers, would gain few marks. Similarly vague references to 'the state of the economy' without reference to possible changes in total spending or consumer confidence, would gain credit at the lower end of this band, as would little awareness of the implications for the environment of a firm's activities, eg fast food litter.

3 marks might be awarded to work which is inconsistent in its treatment, offering a clear indication of some factors but not others and with uneven application.

## **Mark band 2**

### **Assessment criterion (a) (6–8 marks)**

Students will provide a clear explanation, both of the organisations' major activities and how these enable major aims/objectives to be met. This indicates an understanding of what the businesses are seeking to achieve which is clearly linked to their activities. For example, a hospital A&E unit which ensures every visitor receives some medical attention within an hour of arrival will be working towards its aim of community service provision. A chocolate company introducing an ice cream equivalent of its leading brand will be working towards its aim of entering new markets. A theme park employing staff on a seasonal basis will be working towards its aim of maximising profit by minimising wage costs.

Student work in this mark band will exhibit an appropriate use of business language and show the connections between major corporate aims/objectives and day to day business activities. The distinction between 6 and 8 marks awarded for work at this level is likely to hinge on the strength of connections made between activities and aims/objectives in relation to the selected organisations, together with the depth of knowledge displayed. Strong work will distinguish clearly between aims and objectives; weaker work will continue to blur the distinction between the two.

### **Assessment criterion (b) (6–8 marks)**

Students should offer a clear explanation of the purposes and activities of the organisation's functional areas. A range of functions will be considered, along with their contribution to overall organisational achievement. At the upper end of this mark band, student comment may indicate some awareness of departmental interdependence, information flows and the need for co-ordination throughout the organisation. Comments on the operations function, for example, might show an awareness of the major challenges involved in producing and supplying fresh bread or sandwiches each day, linked to the need for supplies to be purchased, sales quantities to be judged from marketing information and distribution facilities to be organised. Comments on the IT department would indicate the main features of the organisation's infrastructure such as a LAN or WAN, together with the relevant major software programs in use, eg Microsoft Office, along with comment on how IT facilities might be used by different departments within the business. An example would be a statement suggesting why purchasing staff might use the internet for sourcing and price comparison.

A clear explanation of the main techniques of internal and external communication used by functional areas within the organisation will show some understanding of the role played by effective communication in the productive activity of those areas. Examples might include the use of video-conferencing to link sales executives operating in different countries, the use of formal letters in customer service communications or informal emails within an administration department.

To achieve 8 marks in this mark band, students will have shown that they understand clearly the purposes of the main functional areas within the business investigated and the wide range of activities that each area undertakes in order to make the relevant department function effectively.

6 marks will be awarded to work which demonstrates a somewhat inconsistent understanding of functional areas or which does not apply communication techniques to the main functions in question. Examples might be where some functional areas are covered in markedly less depth than others, or where the communication technique is not fully related to its context, as in the legal use of DX or document exchange facilities.

### **Assessment criterion (c) (8–12 marks)**

Students will give a clear explanation, in the case of each chosen organisation, of the type of ownership, the nature of the owners' liabilities and the main reasons for the choice of location. All three issues must be addressed.

10–12 marks will be awarded to student work which gives a clear explanation of ownership types and liability, mentioning limited and/or unlimited liability. The structure of the two selected businesses will be situated in this context, with specific reference to the owners and their liability exposure. Such marks will reflect some understanding of why the business may have chosen that structure. An example might be the choice by a football club of public limited company status in order to raise more capital. The precise location of the two selected businesses will be identified, preferably illustrated by a clearly-labelled map or diagram, and the main reasons for the choice of location will also be described. For example airport service facilities such as cargo handling or in-flight meal preparation companies would be clearly linked to the central activities of an airport.

8–10 marks in this section will be awarded to work which gives some explanation of ownership types and liability, and where the application of these ideas to the selected organisations is weaker. For example, liability may not be fully understood or the clear and coherent explanation might indicate a significant reliance on textbook material. Moreover the explanation of location factors and application of these to the two businesses in question may lack clarity or indicate limited understanding.

### **Assessment criterion (d) (6–8 marks)**

Students are asked to explain clearly the impact on each organisation of the key external influences, including market competition, economic conditions and environmental constraints. Student work rewarded with 8 marks in this section will give some explanation of most of the external influences identified; such as competitive pressure, (through price, quality or service); actual or potential booms and slumps and risks of environmental damage. The work will then consider the impact of variations in these factors on the two selected organisations. Work will indicate clear understanding and application in students' own words. The student's explanation will indicate the extent to which each organisation is vulnerable in particular ways to particular influences such as competition. Some organisations, for example, may be relatively unaffected by environmental considerations for reasons which the student may explain.

Student work which lacks clarity in its understanding of one or more of these influences would be awarded 6 marks. Overlooking the impact of a possible recession on the business or the possible threat of European competition might be cases in point. Limited application of these factors to the selected businesses will also indicate lower mark allocations, eg where the respective impacts are covered inconsistently or variably. Moreover a lack of any supported judgement in assessing the importance of their impact would also suggest a mark allocation of 6.

## **Mark band 3**

### **Assessment criterion (a) (9–11 marks)**

Students will present a thorough account of each organisation's activities with a detailed analysis of how these may need to adapt in order to ensure that aims and objectives continue to be met over time. To achieve 11 marks, students will have provided a thorough, accurate and detailed account of the firms' activities. Moreover, this account is likely to be clearly woven into a well-structured review of the firms' specific aims translated into 'SMART' business objectives, such as diversification by companies such as Sony or Microsoft into the games market to the point of achieving a particular market share by a particular date. For full marks, students are likely to consider three typical activities, along with comments indicating the contribution of each of these major activities to the achievement of specific corporate aims and objectives.

Appropriate terms, concepts, theories and methods will have been applied in addressing how aims may be met, eg the structuring of sales promotion or production activities in response to market research information.

The awareness that business activities may need to change in order to maintain the achievement of aims will also support work appropriate to this mark band. Examples would be the diversification of businesses such as Vidal Sassoon out of hairdressing into the supply of hair care products. The switch by newspapers such as The Guardian into the electronic supply of continuous online news and discussion illustrates a way in which the aim of being a major player in the quality news market requires changing activity. This theme will be clearly understood and addressed by students receiving this mark allocation. An account which is unbalanced or inadequately supported by evidence, or shows a limited awareness of how business activities may need to change over time, should be restricted to credit at the lower end of this mark band.

#### **Assessment criterion (b) (9–11 marks)**

Students will offer a thorough account of the purposes and activities of the organisation's key functional areas, together with a detailed analysis of how the main techniques of communication support departmental work. To gain 11 marks, students will have shown comprehensive knowledge and in-depth understanding of the purposes of all the functional areas within the business, together with the activities undertaken by each of them. They will also be identifying the distinctive part played by communications, techniques in supporting the work of each component part of the organisation in order to enhance overall performance. The distinctive feature of work at this level will be a clear understanding of the interdependence of all component functions in supporting the overall performance of the organisation studied.

9 marks may be awarded where the purposes and activities of each functional area are considered somewhat unevenly and where communication techniques are described but without examining in full detail the ways in which they support functional contribution to the performance of the organisation as a whole.

#### **Assessment criterion (c) (13–17 marks)**

For each organisation, students should offer a detailed analysis of why the particular type of ownership may be appropriate and how this may affect owners' liabilities, together with an assessment of the impact of location choice on overall organisational performance.

Higher marks (16–17) will be awarded for a justification of the choice of structure for each of the selected businesses — considering the options available — together with an explanation of the implications of this choice for owners' liabilities. Moreover, the analysis should feature indications of when, how and why the present structure was decided upon. In addition there will be an analysis of the possible impact on overall performance determined by the location decision in each case. For example, the decision to locate Disneyland Paris in Northern rather than Southern Europe will have impacted negatively on gate receipts in poor weather. The decision by supermarket chains to return to smaller inner city sites from outer city superstore parks illustrates attempts to improve organisational performance through the location decision. The decision by Levi Strauss to buy back its shares on the stock market and revert from public to private company status for fear of takeover illustrates structural rationale. Opportunities to gather, select, record and analyse information will have been fully exploited.

Student work which gives an incomplete explanation of ownership structures and liabilities, or which lacks full analytical application to the two businesses under study, will merit 13–15 marks. Similarly, limited connections between location and performance would suggest this allocation.

### Assessment criterion (d) (9–11 marks)

Students will offer a detailed evaluation of each organisation's strengths and weaknesses in the face of market competition, economic conditions and environmental constraints, supporting a detailed assessment of how each organisation could manage such influences more effectively.

Work awarded higher marks of 11 will show a maturity of perspective on the strengths and weaknesses of the corporations under consideration, insofar as they are affected by the forces of competition, economic management and environmental protection, which will be explained in detail. Examples would be the view that cinema operators are seeking to exploit the possibilities of either multiplex mass distribution or small-scale independent distribution. The decision to supply financial services which are more popular during recessions, (eg savings plans), might illustrate the strength of a diversified corporation such as Virgin. The efforts made by organisations to manage adverse environmental publicity by recruiting leaders of notable pressure groups such as Greenpeace, would equally illustrate a breadth of perspective and management of external influence.

Work awarded lower marks in this section (eg 9) will lack consistency in the coverage and application of one or more external influences to the two businesses under study. Judgements about future performance will be supported to a degree but the appraisal of their prospects will be incomplete.

### Resources

These could include news material, magazine articles, company reports, internet downloads, simulations and video recordings. The following would be useful:

Anderton A — *GCSE Business Studies — Units 1–16, Second Edition* (Causeway Press)  
ISBN: 1873929846

Barrett R — *Applied Business for GCSE* (Nelson Thornes) ISBN: 0748770739

Barrett R et al — *Applied Business for GCSE Teacher Support Pack* (Nelson Thornes)  
ISBN: 0748757465

Bywaters R G et al — *Foundation/Intermediate GNVQ Business — Unit 1: Chapters 1, 2, 4, Unit 2: Chapters 1 and 3* (Longman) ISBN: 0582406331

Carysforth C and Neild M — *GNVQ Intermediate Business — Units 1.1, 1.2, 2.1 and 2.3* (Heinemann) ISBN: 0435452994

Fardon M, Frater G and Prokopiw J — *Intermediate Business — Section 1* (Osborne)  
ISBN: 1872962262

Fardon M, Nuttall C and Prokopiw J — *GCSE Applied Business* (Osborne)  
ISBN: 1872962327

Gardiner J — *Business for Intermediate GNVQ* (Nelson Thornes) ISBN: 0748718834

Huggett R — *Business Studies for GCSE — Fourth Edition* (Collins) ISBN: 000711513X

Nuffield — *BP Business for Intermediate and Foundation Part One GNVQ* (Collins)  
ISBN: 0003290980 and 0003290999

Nuttall C — *GCSE Business Studies* (Cambridge University Press) ISBN: 0521003644

Nuttall C J — *GNVQ Intermediate Business — Unit 1, pages 1–74; 84–95; 100–127; 151–163, Second Edition* (Collins) ISBN: 0003291057

Nuttall et al — *Part One GNVQ Intermediate Business* (Collins) ISBN: 0003291162



# Unit 2: People and Business

## ABOUT THIS UNIT

One of the most valuable resources of any business is its people. This unit helps you to understand the roles played by people with different interests in a business and to look in detail at the working relationships between employers and employees. It helps you to think about the experience of business employees, about the recruitment and training process and how you might apply for a first job.

It gives you the opportunity to think about your rights and responsibilities as an employee but also to put yourself in the position of an employer concerned with the interests of his/her staff.

You will consider different ways in which businesses can be organised to ensure efficient communications, good working relationships and clear lines of responsibility. The work of the human resources department of a medium to large-sized business will be the focus for detailed investigation. You will explore how technological changes allow new kinds of working practice and new forms of communication.

Customers are very important stakeholders in any business. You will explore the ways in which a business communicates with its customers and ensures fair practice through customer services departments. You will look at the part played by information technology in allowing direct contact between businesses and their customers worldwide.

Throughout this unit it is assumed that the term 'products' includes both goods and services.

This unit has links with *Unit 1: Investigating Business* and *Unit 3: Business Finance*. It prepares you for further education, training or employment.

**This unit will be internally assessed through a portfolio of evidence. Your result for this unit will be a mark from 0–100 which can be related to an equivalent grade.**

## WHAT YOU NEED TO LEARN

### Stakeholders

All businesses have stakeholders who have an interest in, or an influence on, the business.

Examples of stakeholders include:

- customers
- employees (including managers)
- owners and shareholders
- the local community
- the government
- pressure groups
- suppliers
- financiers.

You will need to identify the main interests and expectations of the stakeholders in the business you are investigating. You will also need to understand how each type of stakeholder may have influence on the business and how the business is responding to its stakeholders.

### **Rights and responsibilities of employers and employees**

The success of a business depends on good working relationships between employers and employees. Job roles and responsibilities need to be clear, the organisational structure has to be well-defined and there must be good lines of communication. Working arrangements are often flexible so that everyone can adapt to changing business practices and make the best use of new technologies. Everyone in work needs to know their legal rights and responsibilities and what to do in the case of a dispute.

### **Investigating job roles**

For a business to be successful, everyone must know what they and others should be doing. You must understand how job roles are defined in business using:

- organisation charts
- job descriptions.

You need to investigate the key job roles in a medium to large-sized business including the:

- manager
- supervisor
- operatives
- support staff.

You must be able to analyse job roles in terms of:

- their key responsibilities
- their tasks or activities
- their job security
- their decision-making and problem-solving capabilities
- the skills, qualifications and personal qualities required
- the related pay and benefits.

### **Working arrangements**

You need to know the basis of the formal agreements known as employment contracts which are agreed by employers and employees. Employment contracts cover:

- permanent and temporary, full and part-time work
- hours of work, including shift work, flexitime, overtime, breaks from work
- places of work, including offices, retail outlets, tele-working, mobile and home-based working
- pay and benefits, including holidays.

You must understand the importance of flexibility and why working arrangements may need to change. Reasons for change may include the wish to:

- increase productivity
- improve the quality of products
- be more competitive than other businesses

- introduce new technology
- introduce team-working and multi-skill practices.

You need to look at the effects of these changes on both employers and employees.

### **Rights of employers and employees**

If employers and employees are to work well together, both groups need to know what is expected of them. You will need to understand what employers expect of employees.

Employers expect employees to:

- meet the terms of their contracts
- co-operate in meeting the objectives of the business
- follow health and safety regulations.

Employees expect to be:

- paid according to their contract
- provided with a safe working environment
- appropriately trained
- permitted to join trade unions or staff associations
- allowed access to any confidential computer records kept on them as employees.

The law provides protection for all employers and employees. You need to know the main principles behind current laws covering:

- equal pay
- discrimination linked to disability, gender and race
- employment rights and working hours
- health and safety
- access to information (eg personal records).

### **Resolving disagreements**

Disagreements at work can occur over the treatment of individual employees or groups of employees. Local, national and international organisations can be used where appropriate to help resolve disputes. You need to understand how disputes can be resolved using:

- business grievance procedures
- negotiations with trade unions or other representative organisations
- employment tribunals
- arbitration services (such as the Advisory, Conciliation and Arbitration Service — ACAS — for England, Scotland and Wales)
- the European Court of Justice.

### **Recruitment and training**

For a business to be successful, employees with the right skills and attitudes have to be recruited and trained. The recruitment process has to be managed to meet the particular needs of the business and to meet legal requirements. The right person for a new post can be found by developing an existing employee or by recruiting new staff. You need to think about your own skills as a future employee and how best to present those to an employer.

## **Recruitment**

You need to understand the activities carried out during the recruitment process including:

- identifying the vacancy
- drawing up a job description
- drawing up a person specification
- advertising the vacancy
- shortlisting applicants
- interviewing applicants
- selecting and appointing the most appropriate candidate.

You need to understand the legal and ethical rules that affect the recruitment process.

## **Personal job applications**

When you apply for your first job, you will need to present a good record of your achievements to date (in the form of your Curriculum Vitae — CV — or a completed application form) and to prepare for an interview or other job tests. You need to consider the key features of a good CV, letter of application and interview performance in terms of:

- describing your own skills
- listing your achievements in and out of school
- identifying your range of interests
- demonstrating your enthusiasm
- what you might bring to the job in the future.

## **Staff development and training**

You need to look at the different ways in which businesses can develop and train staff including:

- the use of ongoing training for all staff
- the use of appraisal or performance reviews
- retraining to use new technology or new working practices
- the use of national awards such as Investors in People and National Training Awards.

## **Customer service**

You will learn about the importance of customers to business and how, by customer service, businesses can compete with other businesses. You will learn how businesses identify the needs of different kinds of customers, what businesses include as part of customer service and how they can make good use of employees and technology to improve the service. You will also consider how customers are protected by the law.

### **Why customers are important**

Businesses need to attract and keep good customers. Good customers provide regular sales revenue and also information about the success of a product.

Good customer service will allow a business to:

- gain and retain customers
- gain customer satisfaction and loyalty
- improve the image and reputation of the business

- provide information about the product in use
- help a business to keep market share
- increase sales revenue and profits.

### **Customers and their expectations**

You need to learn about the different types of customers served by business including:

- internal customers (eg other sections within the same business)
- external customers (eg individuals or other businesses).

(Information about different kinds of customer will have been collected as part of the work on business competition in Unit 1).

Customers' expectations can include:

- good value products
- rapid response to enquiries
- clear and honest information, for example about price and delivery
- information about suitable products
- help with individual or general issues
- care and attention, for example through direct person-to-person contact
- after-sales service.

### **Customer satisfaction**

Businesses need to measure customer satisfaction in order to make improvements to the products. This can be done by:

- analysing sales performance (eg sales levels, numbers of customers, loyalty card records)
- recording the number of complaints and/or returned goods
- making comparisons with competitors.

You need to know how businesses carry out market research to collect feedback from customers. This can be done using:

- 'on the spot' questions from staff
- observation
- questionnaires, completed by person or by post
- customer panels or interviews
- a website
- email.

### **Investigating customer service**

The features of customer service will vary between different businesses. You need to look at features such as:

- the products (eg quality, safety, packaging, clarity of information)
- staff (eg helpfulness, dress, accuracy of information, communication skills such as telephone manner, managing a telephone conversation)
- premises (eg clean, well-signposted, accessible for disabled, range of facilities)
- delivery (eg availability, speed, reliability)

- after-sales care (eg dealing with complaints, exchanging goods, guarantees and repairs)
- other features (eg range of payment methods, customer care telephone lines, staff training).

You need to consider how new technology, especially the use of email and business websites, can be used to improve and develop customer service.

### **Protecting the customer**

The law provides protection for both business and customer. You need to understand the main principles behind current consumer laws covering:

- health and safety
- sale of products
- labelling of products
- misuse of information.

## ASSESSMENT EVIDENCE — UNIT 2: PEOPLE AND BUSINESS

You need to produce a portfolio assignment based on your investigation of a medium to large-sized business organisation, showing that you understand the importance of people in business. In the portfolio you need to include information you have collected on:

- the role and importance of stakeholders
- customer service and consumer protection
- job roles and working arrangements
- employee recruitment and training
- employer/employee rights, including procedures to deal with disputes and with health and safety issues.

ASSESSOR'S MARKING GRID (Please see also the section <i>Assessment guidance</i> on page 38.)							
	Mark band 1 At this level work must show:	Mark range	Mark band 2 At this level work must show:	Mark range	Mark band 3 At this level work must show:	Mark range	Mark awarded
(a) AO1 AO2 AO3 10 marks	<ul style="list-style-type: none"> <li>a description of the role and importance of the organisation's key stakeholders</li> </ul>	1–4	<ul style="list-style-type: none"> <li>a clear explanation of the role and relative importance of the organisation's key stakeholders</li> </ul>	5–7	<ul style="list-style-type: none"> <li>a comprehensive review of the role and relative importance of the organisation's stakeholders</li> </ul>	8–10	
(b) AO1 AO2 AO3 10 marks	<ul style="list-style-type: none"> <li>a description of the customer service arrangements within the business investigated and some comment on how its customers are protected by the law</li> </ul>	1–4	<ul style="list-style-type: none"> <li>an investigation into the quality of customer service arrangements within the business investigated, and a clear explanation of key features of consumer protection law</li> </ul>	5–7	<ul style="list-style-type: none"> <li>a detailed evaluation of the quality of customer service within the business investigated, making supported recommendations to managers, and giving an assessment of how well its customers are protected by the law</li> </ul>	8–10	

**ASSESSOR'S MARKING GRID** (Please see also the section *Assessment guidance* on page 38.)

	<b>Mark band 1</b> At this level work must show:	<b>Mark range</b>	<b>Mark band 2</b> At this level work must show:	<b>Mark range</b>	<b>Mark band 3</b> At this level work must show:	<b>Mark range</b>	<b>Mark awarded</b>	
(c) AO1 AO2 AO3 <b>10 marks</b>	<ul style="list-style-type: none"> <li>a description of key job roles within the business and the working arrangements in place</li> </ul>	1-4	<ul style="list-style-type: none"> <li>an investigation into job roles within the business and the working arrangements in place</li> </ul>	5-7	<ul style="list-style-type: none"> <li>a detailed analysis of job roles within the business and the working arrangements in place</li> </ul>	8-10		
(d) AO1 AO2 AO3 <b>7 marks</b>	<ul style="list-style-type: none"> <li>a description of employee recruitment and training processes within the organisation</li> </ul>	1-3	<ul style="list-style-type: none"> <li>a clear explanation of employee recruitment and training within the organisation</li> </ul>	4-5	<ul style="list-style-type: none"> <li>a detailed evaluation of employee recruitment and training within the organisation</li> </ul>	6-7		
(e) AO1 AO2 AO3 <b>13 marks</b>	<ul style="list-style-type: none"> <li>some knowledge and understanding of employer and employee rights and responsibilities, including procedures to deal with disputes and health and safety issues in relation to the organisation in question</li> </ul>	1-5	<ul style="list-style-type: none"> <li>a clear explanation of employer/employee rights and responsibilities, including procedures to deal with disputes and health and safety issues, in relation to the organisation in question</li> </ul>	6-9	<ul style="list-style-type: none"> <li>a detailed evaluation of employer/employee rights and responsibilities and a detailed evaluation of the procedures for addressing industrial disputes, including health and safety issues</li> </ul>	10-13		
<b>Total Unit Mark</b>							<b>50</b>	
<b>Student Unit Mark</b>								



## GUIDANCE FOR TEACHERS

### Delivery strategies

Students will need teachers' assistance in selecting a 'medium to large-sized' organisation to investigate from a human resources standpoint. The organisation will need to have a reasonably wide range of employee functions and a clear policy on employee relations so that possible employer/employee disputes may be considered. Ideally this should be an organisation willing to offer a visiting speaker who would be able to comment on how the organisation deals with the sensitive issues raised in this unit since certain questions may potentially present the organisation in a less than perfect light, such as health and safety or industrial relations. Centres may therefore need to liaise carefully with the chosen organisations so that they are fully aware of students' legitimate questions.

### Sources of information

It should be emphasised that what is required is information on the framework within which human resources are managed, not commercially confidential or sensitive information in relation to that specific business. Schools and colleges may have business links and local contacts that may provide the required information. School and college governors may also prove to be useful sources of contacts, as may local Education and Business Partnerships, City Link Business Partnerships, Learning and Skills Councils and Sector Skills Councils. Trade unions also offer a wide range of resources on employment issues which may prove helpful, in addition to providing visiting speakers.

Students will be able to identify the key features of human resources required in a wide range of businesses. With guidance they will be able to integrate this understanding into a broader awareness of the overall resource mix which underpins the effective production of goods and services. Discussion on case studies relating to mismatched or regularly changing staff in key posts of responsibility, such as teaching, will elicit a wide range of feedback and viewpoints on broad issues of human resource management. Students may then create displays and presentations on themes such as 'the right staff', with obvious implications for producers and consumers alike if inappropriate staff are engaged.

### Recruitment, working practices, job roles and training

In order to attract or recruit the right staff, there is a need for clear job descriptions and recruitment procedures so that discrimination may be avoided and equal opportunities assured. This leads to the concepts of job roles and responsibilities in the workplace. In the contractual relationships between the employee and the employer, the rights of one match the responsibilities of the other. Visiting speakers and visits to organisations will broaden students' awareness of the complexity of the workplace. Students are also able to bring much useful and relevant information to these discussions by virtue of employment experiences shared by their family and friends.

### Rights and responsibilities of employers and employees

Considerations of employers' responsibilities towards employees reveal the delicate balance of industrial relations and open the way to consideration of industrial disputes and related legislation, alongside the work of trade unions. Students can investigate case studies of disputes in industries of interest. The use of role play can enhance discussions in these areas and help explain the rapidity with which deadlock can be reached, leading to consideration of the work of ACAS and employment tribunals. Students' own career plans may feature in work on the processes of recruitment, with opportunities for trial interviews and involvement in related discussion on work placements.

## **Customer service and consumer protection**

The unit then looks in particular detail at the function of customer service, considering the importance of this role and how it may be enhanced in key organisations. Again this is an opportunity to build on the more or less successful experiences of students and their families and friends at the hands of major retailers, public services and leisure service providers. Finally, students will return to legislation, giving thought to how well the consumer is protected by the law and how this protection may be enhanced. Research on legal reform material available from such groups as the Consumers' Association and Liberty will prove helpful here.

## **Assessment guidance**

This section should be read in conjunction with the general section *Applying the mark bands* on page 7.

### **Mark band 1**

#### **Assessment criterion (a) (1–4 marks)**

For the business investigated, it is likely that the role of three key stakeholders will give sufficient coverage. Students should give a description of each, identifying the nature of their main interest in the business. For example, students may describe some reasons why employees, shareholders/owners and customers may be interested in the performance of a major retailing or leisure business. The description should be sufficient to convey a general understanding without the need for full detail. The nature of these stakeholders may vary greatly according to the precise business under study. In the case of a small local retailer, these may be staff, customers and the owner(s). Students should be assisted in the selection of businesses for investigation in order to help them obtain high quality and real-life stakeholder information.

For the higher marks of 3–4 to be given, students should indicate how their selected stakeholder groups may influence what happens in the business. Lower marks of 1–2 will be given where little more than a list of stakeholders is offered, possibly from notes or texts, without extended individualised comment. Moreover, comments identified by this mark band may tend to be generic rather than specific to the organisation in question.

#### **Assessment criterion (b) (1–4 marks)**

Students may be able to describe customer service through observation in large retail or service outlets, including public service organisations. The description should cover the provision of product or service information, the manner in which customers are dealt with, product or service supply and the provision of after-sales service. The essentials of legal protection are likely to be researched from texts at this level.

For the higher marks of 3–4 to be given, individual research will illustrate key features of service from the selected organisation, mainly using the student's own language and possibly based on individual observation of how businesses deal with their customers. An outline knowledge of legal issues may be offered, probably based on textbook study. Lower marks of 1–2 will be given where there is little evidence of research on actual business practice and where legal issues receive scant attention.

#### **Assessment criterion (c) (1–4 marks)**

A description of three key job roles and their related working conditions is likely to give sufficient coverage. This is a further opportunity for students to undertake their own research and observation. Comment on job roles will offer an opportunity to clarify the boundaries of each employee's work while a discussion of working arrangements will give opportunities for contrast, (eg between cleaners and managers, retail staff and store managers, factory operatives and supervisors).

For the higher marks of 3–4 to be given, a description will be provided using the student's own language with some evidence of individual thought and research into the selected organisation. Lower marks of 1–2 will be given where generic comments are based on class notes or textbook information rather than original research.

**Assessment criterion (d) (1–3 marks)**

For the business investigated, students should demonstrate some knowledge and understanding of the activities involved in the recruitment process, together with some knowledge of the legal and ethical rules that affect this process. For example, they should describe the main stages of the recruitment process with an understanding of how such matters should be professionally managed, (eg by clear definition of jobs and careful observance of confidentiality). They should also describe some of the main ways in which businesses can develop and train staff, together with some comment on why these processes are important and the consequences for the organisation of ignoring them.

For a higher mark of 3 to be given, students will offer a description of the processes and key people involved. Lower marks of 1–2 will be given where generic outline knowledge is offered, based on class notes or textbook material without original research or individually expressed development of ideas.

**Assessment criterion (e) (1–5 marks)**

The student will offer some knowledge and understanding of employer/employee rights and responsibilities, including procedures to deal with disputes and health and safety issues.

To achieve higher marks of 3–5, students will show that they have some understanding of the main rights and corresponding responsibilities of both employers and employees in the workplace, for example working and remunerating to contract terms. They will have some understanding of the legal framework within which these exist and some understanding of the procedures in place to deal with disputes and health and safety issues. This will include an outline knowledge of institutions that can be called upon where appropriate to help resolve employment disputes. The above may be described with respect to key industries in which recent industrial disputes may have made information available, especially those where safety is a key consideration (eg transport, construction and leisure). Students should demonstrate evidence of individual research, expressed clearly in their own language. Lower marks of 1–2 will be applied to work which relies for the most part on class notes or textbook material, with little evidence of original investigation or individual expression.

**Mark band 2**

**Assessment criterion (a) (5–7 marks)**

To achieve higher marks of 7, students will explain clearly the role of most key stakeholders involved in their selected organisation, (eg employees, owners, suppliers, bankers, customers). There should be comment on the relative degrees of influence possessed by each major stakeholder group, referring for example to industries where trade unions may have greater influence or where owners may have taken radical decisions about restructuring following a takeover. Students will be awarded the higher mark based on the clarity of their explanation, and the insight they bring to issues of relative importance, particularly in the case of their chosen organisation. A lower mark of 5 will characterise work which offers some explanation of the key stakeholders' roles, but offers little insight into issues of relative importance, particularly in the case of their chosen organisation. To gain credit in this mark band work must contain substantial explicit reference to the selected organisation.

**Assessment criterion (b) (5–7 marks)**

Students should show that they have investigated customer service within their selected organisation and are able to make some comment on its effectiveness. They may do this by considering the importance of customers to the business, how the business competes through its quality of service, how the business identifies the needs of different kinds of customers, what the business includes as part of its customer service, and how it can make good use of employees and technology to improve the service.

Students will also consider key features of consumer protection law. Stronger students may access supporting information from groups such as the Consumers' Association, Citizens' Advice Bureaux and Liberty to supplement textbook material. Higher marks of 6–7 will reflect work characterised by some analytical comment and a clear explanation of the processes at work. Comment on legal issues will reflect an awareness of reasons why consumers may require protection and what form that protection takes. A lower mark of 5 will reflect work which offers a less detailed investigation of the customer service process, together with an explanation of some aspects of consumer protection law which may contain major gaps, either in legislation or in procedure.

**Assessment criterion (c) (5–7 marks)**

Students should be able to investigate job roles in terms of some of the main elements listed in the specification and will offer some explanation of existing working arrangements. Comments based on research will reflect a range of responsibilities and levels of seniority in the organisation. There should also be some explanation of major variations in working practice which may exist between differing staff roles and levels of responsibility.

A higher mark of 7 may be awarded to a more detailed investigation of recruitment and training processes in the selected organisation. The content of the specification should be explored both in principle and in practice. A lower mark of 5 will reflect a more general enquiry, offering more generic comment with greater reliance on secondary information.

**Assessment criterion (d) (4–5 marks)**

Students should offer a clear explanation of employee recruitment and training within the organisation. This will involve commenting on the recruitment and training practices of the business investigated and explaining the importance of these to the efficient operation of the organisation. A higher mark of 5 will be awarded for an explanation that considers some of the mechanisms and processes likely to improve the organisation's performance. Students are likely to consider the various stages of recruitment used to identify prospective employees of the highest calibre, processes of interview fairness and recruitment based on business needs and the role given to training in the organisation. Work gaining 5 marks will have considered a range of issues affecting recruitment and offered some suggestions for improvement, while work gaining 4 marks is likely to have overlooked a significant dimension of such issues.

**Assessment criterion (e) (6–9 marks)**

Students should offer a clear explanation of employer/employee rights and responsibilities, including procedures to deal with disputes and health and safety issues, in relation to the organisation in question.

For the business investigated, students should demonstrate a sound knowledge and understanding of what employers and employees are entitled to expect from one another in the workplace. This will include some understanding of the legislative framework within which these entitlements exist, together with an understanding of the procedures in place to deal with disputes and health and safety issues. The knowledge gained from texts and notes should be applied to the business being investigated, which may be the subject of media attention in terms of industrial relations disputes. For higher marks of 8–9 to be given, evidence of a careful investigation in relation to a selected organisation should be offered using the student's own language. Textbook material should be used carefully in support of original comment.

Lower marks of 5–6 will be given where the investigation is comparatively superficial and where relatively little illustration is provided of real life industrial disputes or health and safety issues.

### **Mark band 3**

#### **Assessment criterion (a) (8–10 marks)**

Students should provide a comprehensive review of all the different stakeholders in the selected business organisation, together with their importance to the business. Comments on why particular stakeholders exercise more influence in organisations such as the one selected should support the review. Students gaining marks at the top of the range are likely to recognise cases where stakeholder interests may be in conflict, (eg where shareholder profit has been pursued at the expense of worker safety or consumer welfare). Those recognising that the breadth of stakeholders extends to communities in which organisations are based and which are affected by their operations, (eg mining, farming or fishing communities), are also likely to be gaining marks at the top of this band. Students may discuss the key tensions between different stakeholder groups and how their respective roles can influence the way the business is run. Higher marks of 10 will reflect the thoroughness and accuracy of the review undertaken, illustrating an overall sense of the organisation's responsiveness to its stakeholders. Lower marks of 8 will reflect a less consistent review, and/or a more limited survey of stakeholder significance.

#### **Assessment criterion (b) (8–10 marks)**

Students should evaluate in detail the customer service offered by an organisation both from the standpoint of the customer and also the business itself when repeat sales are considered. The evaluation should highlight some areas where such service could be enhanced, making suggestions for improvement. Students should also comment on the legal protection offered to customers of the selected business, assessing its quality. Higher marks of 10 will reflect the balance of evaluation, the strength and support of the conclusions drawn and the accurate use of appropriate terms and concepts. Comment on legal protection will be well-supported by the views of key pressure groups. A lower mark of 8 will reflect a measure of imbalance in the evaluation, accompanied by unevenly supported conclusions. Comment on legal reform should still feature some support by material from key pressure groups.

#### **Assessment criterion (c) (8–10 marks)**

Students should offer a detailed analysis of the job roles within the business and the working arrangements in place. Major roles will be considered and their contribution to the effective functioning of the organisation analysed. Critical conclusions for the attention of managers may well be forthcoming. Working arrangements should also be analysed in full detail and recommendations for how these may be revised to mutual benefit may be considered, (eg working hours, contract terms, unsocial hours, arrangements for breaks and leave of absence).

Most of the specified features of job roles and working conditions will be addressed in so far as they apply to the selected organisation.

Higher marks of 10 will reflect an awareness of the significance of these roles and conditions for managers responsible for business performance. Lower marks of 8 will relate to work which lacks awareness of the implications for management.

### **Assessment criterion (d) (6-7 marks)**

Students should offer a detailed evaluation of employee recruitment and training within the organisation. Students should show that they have considered critically the organisation's approach to both recruitment and training and understand the procedures necessary to implement effective policies. There should be a detailed evaluation of recruitment arrangements so that the student is able to consider their likely effectiveness in achieving their aim. The student should also be able to identify the stages at which decisions are required together with the basis on which they may be taken and the scope for variations in practice.

In the case of training procedures, the student should be able to relate the organisation's training policy and practice to its efforts to raise performance. In both cases, it is likely that students will draw conclusions from their evaluation which will form the basis of management recommendations. Higher marks of 7 will be awarded based on the breadth and depth of the evaluation given and on the accurate use of appropriate terms and concepts. There should be a clear awareness of the implications of recruitment and training for business performance. Lower marks of 6 within this band will reflect a less balanced evaluation with strengths and weaknesses of each process less clearly balanced and judgements less well supported by evidence from the organisation under study.

### **Assessment criterion (e) (10–13 marks)**

Students should offer a detailed evaluation of employer/employee rights and responsibilities, and of the procedures for addressing industrial disputes, including health and safety issues. Students should produce a wide-ranging investigation of the issues associated with employer and employee rights in the workplace, including legislative matters. They should also understand the implications of problems associated with disputes and health and safety issues and should know the channels open for their resolution. Students should offer details of industrial relations case studies in order to situate the selected organisation in context, and should identify the potential for conflict in this area between the two groups. They should evaluate the procedures available for addressing industrial disputes and make judgements on their effectiveness, supported by evidence. Higher marks of 10 will reflect substantial breadth and depth of the investigation and accurate use of the appropriate terms and concepts. Lower marks of 8 will reflect a more uneven approach with in-depth knowledge and research apparent in places.

## **Resources**

These could include news material, magazine articles, internet downloads, simulations and video recordings. The following would be useful:

Anderton A — *GCSE Business Studies — Units 53–62, Second Edition* (Causeway Press)  
ISBN: 1873929846

Barrett R — *Applied Business for GCSE* (Nelson Thornes) ISBN: 0748770739

Barrett R et al — *Applied Business for GCSE Teacher Support Pack* (Nelson Thornes)  
ISBN: 0748757465

Bywaters R G et al *Foundation/Intermediate GNVQ Business — Unit 2: Chapter 4. Unit 4: Chapters 1–5* (Longman) ISBN: 0582406331

Carysforth C and Neild M — *GNVQ Intermediate Business — Units 1.3 and 2.4* (Heinemann)  
ISBN: 0435452994

Fardon M, Frater G and Prokopiw J — *Intermediate Business — Sections 2 and 3* (Osborne)  
ISBN: 1872962262

Fardon M, Nuttall C and Prokopiw J — *GCSE Applied Business* (Osborne)  
ISBN: 1872962327

Gardiner J — *Business for Intermediate GNVQ — Chapters 3–6, 10* (Nelson Thornes)  
ISBN: 0748718834

Huggett R — *Business Studies for GCSE — Section 7, Fourth Edition* (Collins)  
ISBN: 000711513X

Nuffield — *BP Business for Intermediate and Foundation Part One GNVQ* (Collins)  
ISBN: 0003290980 and 0003290999

Nuttall C — *GCSE Business Studies* (Cambridge University Press) ISBN: 0521003644

Nuttall et al — *GNVQ Intermediate Business — Pages 75–83; 165–169, Second Edition*  
(Collins) ISBN: 0003291057

Nuttall et al — *Part One GNVQ Intermediate Business* (Collins) ISBN: 0003291162

Seliet H — *GNVQ Foundation Business — Chapters 3 and 9* (Heinemann) ISBN: 043545305X





# Unit 3: Business Finance

## ABOUT THIS UNIT

This unit gives you an introduction to business finance. You will look at the importance of keeping track of flows of money into and out of a business and how businesses can measure their performance through keeping accounts. You will find out the value of IT to businesses in helping them to manage their finances and to plan ahead using spreadsheet programmes. Estimates of costs and revenues allow businesses to plan and, if necessary, borrow money to finance new developments. You will learn about simple recording systems, how to interpret financial documents and how to identify different options for businesses when faced with financial decisions. You will find out how IT can be used to record and communicate financial transactions to reduce costs.

Throughout this unit it is assumed that the term 'products' includes both goods and services.

This unit has links with *Unit 1: Investigating Business* and *Unit 2: People and Business*.

**This unit will be assessed through an examination set and marked by Edexcel.**

**There will be one 1½-hour examination paper.**

**Your result for this unit will be a mark from 0–100 which can be related to an equivalent grade.**

## WHAT YOU NEED TO LEARN

### **Investigating the flow of financial documents used to make a business purchase**

When a business buys or sells goods and services, a variety of financial documents are completed in sequence. Businesses must be aware of these documents and how and when they should be completed. You will need to understand the purpose of each document and the part it plays in the sequence of ordering, checking, recording and paying for goods and services. You will need to be able to complete examples of each accurately, and understand how important accuracy in such documents is for businesses. You will need to understand how these financial documents provide the basic information for business accounts.

The documents include:

- purchase orders
- delivery notes
- goods received notes
- invoices
- credit notes
- statements of account sent by the business
- remittance advice slips
- cheques
- receipts.

Some businesses produce documents by hand, others use IT to automate some or all parts of the process. You will need to find out about computerised accounting systems and understand the advantages and disadvantages of using them. Businesses are likely to gain a real competitive edge through the effective use of IT systems.

### **Investigating methods of making and receiving payments**

A business makes payments for what it buys, and receives payments for goods it sells or services it provides. You will need to find out about a number of cash and non-cash payment methods, including:

- cash
- cheque
- credit card
- debit card
- credit transfer/direct debit.

You will need to understand how each payment method works, what costs are involved for the buyer and the seller, and how much time each method of payment takes.

### **Covering the costs of a new product or service**

When businesses are planning to produce a new product, they must carefully work out the costs involved and the revenue they are likely to make from selling the product.

For a business which you study, you will need to be able to identify its sources of revenue and the following costs:

- start-up costs
- running costs.

Start-up costs are those which need to be met before a business can start selling the new products. These include paying for market research, and buying premises, machinery and fixtures and fittings.

Running costs are those which need to be met so that a business can go through the day-to-day process of producing and selling its goods/services. These include advertising the product, paying rent on the premises, paying for power to run the machinery, paying government taxes on sales and paying for raw materials and workers' wages.

You will also need to be able to recognise typical costs and revenues involved in a range of businesses (eg in manufacturing, retailing and service industries).

You need to recognise the role played by IT in helping to reduce costs. For example, the use of bar codes to record sales makes it possible to keep very low levels of stock and this reduces the costs of both buying and storing goods.

### **Using a cash-flow forecast**

Businesses try to predict what money they will have coming in and what money they will need to pay out. If they do not do this, they may run out of money and may struggle to survive as a business.

You will need to understand how preparing and using a cash-flow forecast can help businesses to decide whether or not to:

- produce new goods or services
- invest in new resources

- carry out new activities
- expand or reduce existing activities.

You will need to identify which are:

- inflows — sales revenue, loans from banks, grants from government
- outflows — payments for raw materials, wages, rent, interest on loans, telephone, new machinery, taxes.

You will need to be able to complete a simple cash-flow forecast that shows the total inflows and outflows and the balance of money. You need to recognise the advantages and disadvantages of using spreadsheets to build cash-flow forecasts.

You need to be able to interpret a cash-flow forecast and identify possible problems, such as regular outflows outstripping inflows, larger than expected bills, or too large a level of surplus cash.

You need to be able to construct a simple spreadsheet to record costs and revenues for a business. You will learn how to use a spreadsheet to predict the impact of changes in costs on the inflows and outflows of cash.

### **Using a budget**

Businesses use budgets to forecast their short-term expenditures and revenues. Budgets contain the expenditure targets drawn up by separate departments and by the business as a whole. They can cover time periods from between a month to several years, but typically run for a year.

You need to understand how the preparation and use of a budget can help a business to:

- plan its expenditure
- check on its performance.

### **Calculating the break-even point**

A business activity only makes a profit when the revenue from sales is greater than the cost of supplying the goods or service. 'Break-even' is the point at which total revenue equals total costs. Businesses need to know the amount of goods or services they have to produce in order to break even.

To work out the break-even point of a business, you will need to know:

- variable costs (eg cost of raw materials); these are running costs that are directly related to how much is produced by the business
- fixed costs (eg costs of overheads such as rent, rates and insurance); these must be paid, however much the business produces
- the revenue that will be received from sales of the goods or service.

You will need to calculate the point at which a business activity breaks even using a break-even chart or the formula:

$$\text{Break-even point} = \frac{\text{fixed costs}}{\text{(selling price per unit less variable cost per unit)}}$$

You need to be able to use a break-even chart to estimate the likely profitability of a business activity and to help make decisions about changing costs or revenues.

## **Calculating the profit or loss of a business**

The level of profit or loss can be found from a break-even chart, but it can also be calculated using a profit and loss account. This records:

- sales
- cost of sales
- gross profit
- overheads/expenses
- net profit.

You will need to understand the format of profit and loss account(s), and how calculations of profit or loss are made for a business activity.

Some businesses do these calculations manually, others use computer applications. You will need to understand the advantages and disadvantages of using a computer to record and calculate profit and loss accounts and break-even charts.

## **Understanding a balance sheet**

A balance sheet provides a snapshot of the financial position of a business on a particular date. It shows the assets and liabilities of the business at that date. The balance sheet records:

- capital or owner's funds (shareholders' funds)
- liabilities
- fixed assets
- current assets.

You will need to understand the format of a balance sheet, and how calculations of assets and liabilities are made for a business activity.

## **The importance of business accounts**

Business accounts should provide an accurate picture of the financial health of a business. Different stakeholders in the business may be interested in different aspects of the profit and loss account and the balance sheet. You need to explore how these documents could be of interest to:

- shareholders
- managers
- employees
- banks
- customers.

## **Sources of business finance**

A new business is likely to be financed by a mixture of the owners' funds and loans. Once underway, a business might seek to finance new developments using profits from sales. Companies with shareholders as owners can issue new shares. You need to understand why businesses may use different sources of finance for different purposes. You need to know why a business may prefer to use the following sources of finance:

- owners' funds
- profits
- loans

- government grants
- hiring and leasing
- issuing shares
- selling assets
- venture capital.

### **Financial planning**

Like any preparation for the future, a business has to make assumptions and estimates about the months ahead. Income and spending estimates are made for both departments and for the whole business, usually for 12 months at a time. Cash-flow forecasts can help to provide a more detailed picture of what is happening or might happen from month to month.

You need to find out how such financial plans are of use to:

- business departments
- the business as a whole
- investors in the business
- creditors who might lend money to the business.

You need to understand how financial documents can be used to plan for:

- an expansion of a business
- the costs of unexpected events
- reductions in the costs of the business.

## GUIDANCE FOR TEACHERS

### Teaching strategies

#### **Preparation for external assessment**

This unit is externally assessed. There are, consequently, a number of strategies that teachers will need to consider when developing schemes of work and action plans.

The teaching strategies for externally assessed units are likely to be very similar to those strategies for units that are assessed through portfolio evidence. Students will still need to be able to apply the skills, knowledge and understanding identified in the section *What you need to learn*. However, there are additional aspects to consider.

Teachers must ensure students are prepared for the external assessment. This will include familiarising students with the format and structure of the assessment. They should be clear about the rules and regulations of external assessments and they should also be reminded of the duration and aims of the assessment. In other words they should be well rehearsed in the format and structure of external assessments.

Students should understand the terminology of assessment, for example the use of commands such as ‘describe’, ‘explain’, ‘analyse’ and ‘evaluate’. Teaching time should be allocated to support students with this. The external assessment aims to assess the student’s vocational knowledge, skills and understanding.

Teachers should be aware of marking schemes and their implications and students should practise effective time management for the external assessment.

The delivery of this unit should be planned with the availability of external assessment in mind to ensure that the student achieves the best possible grade reflecting their true potential. The assessment will inevitably impose constraints upon teaching strategies in the months leading up to the assessment.

Students need to be able to apply the knowledge, skills and understanding of the unit to the demands of the questions set. The ability to transfer knowledge, skills and understanding to different situations is an invaluable preparation for employment, training and further education. External assessment is one example where this transference is critical, for example coping with the controlled conditions of an external assessment, the imagined scenarios and responding to questions.

Sample assessment material, together with mark schemes, is available to accompany this specification and, increasingly, past assessment material will also be available.

#### **Delivery guidance**

Finance units such as this present a significant challenge to students in the area of application of number. Typically, many students struggle with this key skill but the unit presents a valuable opportunity to situate numerical data in a meaningful business context. Teachers may therefore need to start with an elementary level of calculation and ensure that students interpret the sense of their work rather than simply manipulating numbers.

Teachers need to take care to identify clearly the nature of a firm's financial flows and structure carefully the sequence in which these are delivered. Many students will, for example, confuse concepts like 'capital' with 'revenue', partly because they may see such terms in the news and magazine material which is made available to them. Students may similarly confuse cash flow with profit or loss, therefore care is required in structuring learning to minimise confusion. It is moreover valuable to help students move from using simple business language such as 'making money' to the more precise idea of making a profit, where profit is then defined as revenue minus costs. Distinguishing numerical business concepts and sequencing these carefully is therefore crucial to effective learning.

A logical starting point is for students to record simple transactions correctly using pro-forma documentation, whether manual or electronic. Grasping the importance of a complete audit trail of accurate records for each transaction is key at this early stage. This will be an unfamiliar scenario to students unless they are able to gain experience through work placements. Students will need to understand clearly what could go wrong with a transaction if a document is missed out of the sequence or is completed incorrectly. These tasks can represent significant challenges for students with literacy difficulties. The same is true for the task of compiling a spreadsheet summary of transactions for the purpose of recording receipts and payments. Students need to be mindful of the purpose behind activities which can become somewhat mechanical, and the significance of errors can usefully be considered. Methods of payment may also be unfamiliar to students accustomed to simple transactions and there is, for example, widespread confusion about the difference between credit cards and debit cards.

Students may progress to the performance of simple calculations for revenue as price multiplied by output levels, together with calculations of total running (or variable) costs which can be added to start up (or fixed) costs in order to calculate profit or loss at different levels of output. This work lays the foundations for break-even analysis and can be illustrated visually to support understanding. The additional complexity of distinctions between gross and net profit can then be introduced and reinforced with examples taken from annual reports of companies making familiar branded products. Graphic presentations of such account totals in manual or computerised format can usefully be considered at this point.

Rooting these ideas in students' practical experience will involve applying them to a wide range of business scenarios with which students may be familiar. Examples may include manufacturing industry (eg clothing) as well as service products such as hairdressing along with retailing. Visual illustrations of income and expenditure can also be used to reinforce the concept of profit or loss, leading to an awareness of break-even. Numerical scenarios can then be drawn up which allow students to experiment with break-even output in both numerical and diagrammatic formats.

Having considered costs and revenues, teachers may choose to progress to the topic of budgets by looking at forecasts of sales revenues or of running costs, and by comparing projected figures with actual figures. The difference between such figures of course will be the favourable and adverse variances which will trigger corrective management decision making. This situation again confronts students with the reality behind the numbers prompting questions of how firms should respond to adverse sales variances or favourable cost variances. These concepts can be made familiar through realistic decision-making scenarios and may also be illustrated graphically. The role of budgetary management in non profit-making organisations may also be highlighted at this point, with many examples from centres' own experience and possible involvement in classes by centre finance officers.

While considering the firm's operating finances, (ie before moving to balance sheets) but after considering profit and loss, it is helpful to visit the topic of cash flow, especially in spreadsheet format. Students can be given worksheets involving progressive calculation in order to embed their knowledge of IT. Students frequently struggle to understand cash flow as a separate and distinct view of the firm's financial performance from profit and loss. They will need help in understanding how a firm with a negative cash flow situation may still be making a profit or a firm with a positive cash flow may be making a loss; these can be significant learning hurdles. Having considered a firm's historical cash flow performance, students can then be introduced to the role of cash flow forecasting which can then lead to sources of finance for future growth and expansion. Cash flow forecasting provides a further opportunity to consider the value and drawbacks of spreadsheets for such purposes. Financial planning may be addressed at this point.

The view taken of the firm's finances has so far focused on the moving picture of its sales or trading performance. This can now be contrasted with the more static picture offered by the firm's balance sheet. Students will need support in understanding the contrast between *flows* of income, expenditure and profit on the one hand, with *stocks* of assets and liabilities as illustrated in balance sheets on the other. Students need to understand how firms may have these two major sets of accounts giving, for example, a healthy profit and loss account but a weak balance sheet or vice versa. Students typically have difficulty in understanding the concept of liabilities so this concept will need simple application to businesses with which students are familiar. Use of the Young Enterprise Scheme may be valuable at this point. Moreover the implications for firms' solvency of the balance between current assets and liabilities may helpfully be highlighted at this point.

The value of business accounts to shareholders may be explained as illustrating the financial health or weakness of a firm, proving of interest especially to the various stakeholders and decision-makers mentioned in the specification. This will take the student back to sources of finance and financial planning, in the case of a business performing poorly.

There is a wide variety of materials available for teaching the financial units of Intermediate and Foundation GNVQ Business which will support centres in guiding students through this unit.

## Resources

Anderton A — *GCSE Business Studies, Second Edition* (Causeway Press) ISBN: 1873929846

Barrett R — *Applied Business for GCSE* (Nelson Thornes) ISBN: 0748770739

Barrett R et al — *Applied Business for GCSE Teacher Support Pack* (Nelson Thornes) ISBN: 0748757465

Bywaters R G et al — *Foundation/Intermediate GNVQ Business — Unit 3: Chapters 1–6* (Longman) ISBN: 0582406331

Carysforth C and Neild M — *GNVQ Intermediate Business — Units 3.1–3.3* (Heinemann) ISBN: 0435452994

Fardon M, Frater G and Prokopiw J — *Intermediate Business — Section 4* (Osborne) ISBN: 1872962262

Fardon M, Nuttall C and Prokopiw J — *GCSE Applied Business* (Osborne) ISBN: 1872962327

Gardiner J — *Business for Intermediate GNVQ — Chapter 12* (Nelson Thornes) ISBN: 0748718834

Huggett R — *Business Studies for GCSE — Section 4, Fourth Edition* (Collins) ISBN: 000711513X



Nuffield — *BP Business for Intermediate and Foundation Part One GNVQ* (Collins)  
ISBN: 0003290980 and 0003290999

Nuttall C — *GCSE Business Studies* (Cambridge University Press) ISBN: 0521003644

Nuttall C J — *GNVQ Intermediate Business — Pages 173–239, Second Edition* (Collins)  
ISBN: 0003291057

Seliet H — *GNVQ Foundation Business — Chapters 10 and 11* (Heinemann)  
ISBN: 043545305X

See also the following Edexcel publications:

Tutor Support Materials for GCSE Applied Business, publication codes G009154 and G009155

GCSE Applied Business specimen test papers with mark schemes, publication code G006934

GCSE Applied Business test papers and mark schemes, available on website

GCSE Applied Business Chief Examiner's Reports, available on website

GCSE Applied Business Candidate Pack, available on website

GCSE (9075) Coursework and Teacher's Guide for Curriculum 2000, publication code  
UA007566



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# Appendix A – Grade descriptions

## Grade descriptions

The following grade descriptions indicate the level of attainment characteristic of the given grade for GCSEs in Applied Business. They give a general indication of the required learning outcomes at each specified grade. The descriptions should be interpreted in relation to the content outlined in the specification; they are not designed to define that content. The grade awarded will depend in practice upon the extent to which the candidate has met the assessment objectives overall. Shortcomings in some aspects of the assessment may be balanced by better performances in others.

### **Grade F**

Candidates will describe, outline, illustrate and identify business activities at a broad and general level. They will demonstrate and apply basic knowledge and understanding of some aspects of the business specification content. They will begin to apply their knowledge, skills and understanding using basic terms, concepts, theories and methods to address problems and issues. Candidates will show limited understanding of methods needed to plan and carry out investigations of issues by gathering and recording information from a limited range of sources. They will explain information and identify evidence with limited accuracy. They may make judgements and present simple conclusions that are sometimes supported by evidence.

### **Grade C**

Candidates will demonstrate and apply sound knowledge and understanding of many aspects of the business specification content. They will apply their knowledge, skills and understanding using terms, concepts, theories and methods needed to plan and carry out investigations of issues by gathering and recording information from a variety of sources. They will explain and analyse information and evidence with some accuracy. They will begin to evaluate information in order to reach reasoned judgements and conclusions that are supported by some degree of evidence, showing some variety of perspective.

### **Grade A**

Candidates will demonstrate and apply thorough knowledge and understanding of the full range of the business specification content. They will apply their knowledge, skills and understanding using terms, concepts, theories and methods effectively to address problems and issues. Candidates will show a clear understanding of the methods needed to plan and carry out investigations of issues by gathering and recording information from a wide variety of sources. They will analyse information and evidence with a high degree of application. They will evaluate information effectively to reach reasoned judgements and present conclusions that are accurate and appropriately supported by evidence, indicating a variety of perspectives.



## Appendix B – Key skills mapping – Level 1

<b>Key:</b>	✓	The unit contains clear opportunities for generating key skills portfolio evidence.
	*	The unit contains opportunities for developing the key skill, and possibly for generating portfolio evidence if teaching and learning is focused on that aim.
	✗	There are no obvious opportunities for the development or assessment of the key skill in the unit.

Key skill	GCSE unit	Examples of opportunities for developing the key skill or for generating key skills portfolio evidence	
		NB these are illustrative only	
N1.1 Interpret straightforward information from <b>two</b> different sources. At least <b>one</b> source should be a table, chart, diagram or line graph.	Unit 1	*	Numerical information on economic conditions (eg RPI and exchange rates could be presented in a number of ways to encourage interpretation).
	Unit 2	*	Looking at basic sales information, findings from market research, company performance information eg customer service figures etc.
	Unit 3	✓	Profit and loss accounts, cash-flow forecasts, balance sheets etc.
N1.2 a Carry out straightforward calculations to do with amounts and sizes.	Unit 1	✗	
	Unit 2	*	Carrying out a small scale market research activity involving calculations eg of numbers of customers etc.
	Unit 3	✓	Calculating in-flows and out-flows of money, costs and revenues, break-even point etc.
N1.2 b Carry out straightforward calculations to do with scales and proportion.	Unit 1	*	Calculating market share etc.
	Unit 2	*	Working with market research data, deriving ratios, numbers of satisfied customers etc.
	Unit 3	✓	Costs as proportion of income, representing sources of funding, etc.
N1.2 c Carry out straightforward calculations to do with handling statistics.	Unit 1	*	Calculating simple statistical information on eg market share, product information etc.
	Unit 2	*	Calculating simple statistical information about customers and sales, performance information, questionnaire data etc.
	Unit 3	*	Calculating simple statistical information on costs and revenue over time, financial planning information etc.

Key skill	GCSE unit	Examples of opportunities for developing the key skill or for generating key skills portfolio evidence NB these are illustrative only	
<p>N1.3</p> <p>Interpret the results of your calculations and present your findings. You must use <b>one</b> chart and <b>one</b> diagram.</p>	Unit 1	✗	
	Unit 2	*	Presenting market research data and findings using graphs, pie charts, etc.
	Unit 3	✓	Representing sources of finance, predicting revenue in financial planning, representing in-flows and out-flows of cash in a cash-flow forecast etc. All these lend themselves to the use of tables, diagrams and charts.
<p>C1.1</p> <p>Take part in a <b>one-to-one</b> discussion and a <b>group</b> discussion about different, straightforward subjects.</p>	Unit 1	*	Discussing environmental constraints, the effect of economic conditions etc. Finding out about a business from an individual working within it — how it communicates, recent changes in its activities etc.
	Unit 2	*	Identifying the stakeholders in a business, discussing any influence they may have over its activities, discussing employee expectations and what makes for good working arrangements; discussing the importance of customer service etc. Role playing recruitment.
	Unit 3	*	Discussing possible sources of finance for different projects, finding out how businesses use IT in accounting, discussing financial performance as part of financial planning, agreeing a budget, interpreting a simple balance sheet etc.
<p>C1.2</p> <p>Read and obtain information from <b>two</b> different types of documents about straightforward subjects, including at least <b>one</b> image.</p>	Unit 1	✓	Mission statements, company reports, organisational structure charts, brochures, extracts from internal documents such as training and recruitment manuals and customer service charters, trade magazines, case study material, textbooks etc.
	Unit 2	✓	Company reports, organisation charts, job descriptions and advertisements, trade union literature, disciplinary and grievance procedures, job application forms, customer service agreements, summaries of legislation and codes of practice, case study material, textbooks, etc.
	Unit 3	✓	Examples of business documents, annual accounts and reports, financial plans, shareholder reports, case study materials, business finance brochures from banks, textbooks etc.



Key skill	GCSE unit	Examples of opportunities for developing the key skill or for generating key skills portfolio evidence NB these are illustrative only	
C1.3 Write <b>two</b> different types of documents about straightforward subjects. Include at least <b>one</b> image in one of the documents.	Unit 1	✓	Essays, case studies, reports, articles etc on eg a business's aims and objectives, external influences, possible effects of changes to the economy etc. Reporting on market share, showing how a business communicates, how it is structured etc, using simple diagrammatic methods as appropriate.
	Unit 2	✓	Reports, case studies, organisational flow charts, customer questionnaires, recruitment packs with job descriptions, job advertisements and application forms, newspaper articles on employee rights etc.
	Unit 3	✓	Financial plans, budgets, balance sheets with explanations, reports, case studies etc.
IT 1.1 Find, explore and develop information for <b>two</b> different purposes.	Unit 1	*	Using given sources on the internet, CD ROMs, databases and other media to access and use information on eg the current economic climate, individual businesses, environmental protection laws governing business activity etc. This might form the basis of written work, or be a source of visual material etc.
	Unit 2	*	Using given sources on the internet, CD ROMs, databases and other media to access and use information eg on employee rights and dispute resolution. Selected information might be drawn from websites such as <a href="http://www.dti.gov.uk">www.dti.gov.uk</a> , on consumer protection, <a href="http://www.tradingstandards.gov.uk">www.tradingstandards.gov.uk</a> , and individual business websites.
	Unit 3	*	Using WP to develop business documents, using given sources on the internet, CD ROMs, databases etc to find information (eg looking at bank websites for information on sources of finance etc).
IT 1.2 Present information for <b>two</b> different purposes. Your work must include at least <b>one</b> example of text, <b>one</b> example of images and <b>one</b> example of numbers.	Unit 1	*	Using specialist applications such as Powerpoint, producing quality written work using WP, importing images, presenting numerical sales information etc.
	Unit 2	*	Using specialist applications such as Powerpoint, producing quality written work using WP, importing images, presenting data on customer services performance, customer satisfaction etc.
	Unit 3	✓	Presenting results of spreadsheet calculations, producing balance sheets and profit and loss accounts, presenting financial plans and other financial information (eg on costs as a proportion of revenue etc).

Key skill	GCSE unit	Examples of opportunities for developing the key skill or for generating key skills portfolio evidence NB these are illustrative only	
LP1.1 Confirm understanding of your short-term targets, and plan how these will be met, with the person setting them.	Unit 1	*	If the group's work is planned to allow an appropriate person to set individual targets (eg to produce a pie chart showing market share) and also to identify: action points (eg to find two competitors, agree deadlines, arrangements for reviewing progress, and who to ask for help).
	Unit 2	x	
	Unit 3	x	
LP1.2 Follow your plan, using support given by others to help meet targets. Improve your performance by: <ul style="list-style-type: none"> <li>studying a straightforward subject</li> <li>learning through a straightforward practical activity.</li> </ul>	Unit 1	*	If the student follows the plan agreed in LP1.1, seeking support where necessary, and uses different approaches to learning (eg reading textbooks and making notes, carrying out a small scale market research activity etc). Also acting on suggestions for improvements.
	Unit 2	x	
	Unit 3	x	
LP1.3 Review your progress and achievements in meeting targets, with an appropriate person.	Unit 1	x	
	Unit 2	*	Reviewing what has been learned and how the student went about it, on a one-to-one basis (eg in tutorials), with encouragement to identify good work and bad, and to suggest improvements.
	Unit 3	x	
PS1.1 Confirm your understanding of the given problem with an appropriate person and identify <b>two</b> options for solving it.	Unit 1	x	
	Unit 2	x	
	Unit 3	✓	Given problems in relation to financial planning, cash flow forecasting, budgeting, calculating break-even point, identifying sources of finance etc can involve the consideration of a number of options (eg advantages/disadvantages of different sources of finance, methods of payment for a product or service, expenditure targets etc). The range of options must be considered and the most useful chosen, taking advice as appropriate, (eg from a business tutor or business person).
PS1.2 Plan and try out at least <b>one</b> option for solving the problem, using advice and support given by others.	Unit 1	x	
	Unit 2	x	
	Unit 3	✓	Planning how to go about producing the financial plan, forecast or budget, and going ahead with that plan, taking advice and support as necessary.

Key skill	GCSE unit	Examples of opportunities for developing the key skill or for generating key skills portfolio evidence	
		NB these are illustrative only	
PS1.3 Check if the problem has been solved by following given methods and describe the results, including ways to improve your approach to problem solving.	Unit 1	✗	
	Unit 2	✗	
	Unit 3	✓	Checking the final plan, forecast or budget against figures used etc; describing what went well and what didn't, and how problems were tackled. Also making suggestions for avoiding those problems.
WO1.1 Confirm what needs to be done to achieve given objectives, including your responsibilities and working arrangements.	Unit 1	*	Tackling the investigation (of eg a case study or real business) as a team, confirming group objectives and individual responsibilities, and how these are to be progressed. Could fulfil the group-working requirement for this key skill.
	Unit 2	*	Tackling the investigation (of eg employment rights or working arrangements in a company) as a team, confirming group objectives and individual responsibilities, and how these are to be progressed. Could fulfil the group-working requirement for this key skill.
	Unit 3	*	Tackling cash-flow forecasting, financial planning, producing accounts etc as a team; confirming group objectives and individual responsibilities. Could fulfil the group-working requirement for this key skill.
WO1.2 Work with others towards achieving given objectives, carrying out tasks to meet your responsibilities.	Unit 1	*	Individuals will be given their own responsibilities and perhaps a suggested approach, and must show that they can carry out tasks safely and effectively eg finding out about current interest rates or about environmental protection laws, and seeking advice as appropriate. If work in pairs or deal with an employee of the business, could satisfy the one-to-one working requirement for this key skill.
	Unit 2	*	Individuals will be given their own responsibilities and possibly suggested working methods, and must show that they can carry out tasks safely and effectively (eg collecting accounts information, producing diagrams etc), seeking advice as appropriate. If work in pairs or deal with a professional in the field, could satisfy the one-to-one working requirement for this key skill.
	Unit 3	*	Individuals will be given their own responsibilities and working methods may be suggested. They must show that they can carry out tasks safely and effectively, seeking advice as appropriate. If work in pairs or deal with someone who works in finance, could satisfy the one-to-one working requirement for this key skill.

Key skill	GCSE unit	Examples of opportunities for developing the key skill or for generating key skills portfolio evidence NB these are illustrative only	
WO1.3 Identify progress and suggest ways of improving work with others to help achieve given objectives.	Unit 1	*	If group working is planned in such a way as to allow discussion of progress: where good ways of working as well as problems and how they were dealt with are identified, with a view to suggesting better ways of working together.
	Unit 2	*	If group working is planned in such a way as to allow discussion of progress: where good ways of working as well as problems and how they were dealt with are identified, with a view to suggesting better ways of working together.
	Unit 3	*	If group working is planned in such a way as to allow discussion of progress: where good ways of working as well as problems and how they were dealt with are identified, with a view to suggesting better ways of working together.

## Appendix C – Key skills mapping – Level 2

<b>Key:</b>	✓	The unit contains clear opportunities for generating key skills portfolio evidence.
	*	The unit contains opportunities for developing the key skill, and possibly for generating portfolio evidence if teaching and learning is focused on that aim.
	✗	There are no obvious opportunities for the development or assessment of the key skill in the unit.

Key skill	GCSE unit	Examples of opportunities for developing the key skill or for generating key skills portfolio evidence	
		NB these are illustrative only	
N2.1 Interpret information from <b>two</b> different sources, including material containing a graph.	Unit 1	*	Information on economic conditions eg RPI and exchange rates could be presented in such a way as to encourage interpretation.
	Unit 2	*	Analysing sales information, findings from market research, company performance information eg customer service figures etc.
	Unit 3	✓	Profit and loss accounts, cash-flow forecasts, balance sheets etc.
N2.2 a Carry out calculations to do with amounts and sizes.	Unit 1	✗	
	Unit 2	*	Carrying out a small-scale market research activity involving calculations eg of numbers of customers etc.
	Unit 3	✓	Calculating in-flows and out-flows of money, costs and revenues, break-even point etc.
N2.2 b Carry out calculations to do with scales and proportions.	Unit 1	*	Calculating market share etc.
	Unit 2	*	Working with market research data, deriving ratios, proportions of satisfied customers etc.
	Unit 3	✓	Costs as proportion of income, representing sources of funding etc.
N2.2 c Carry out calculations to do with handling statistics.	Unit 1	*	Deriving and manipulating statistical information on eg market share, product information etc.
	Unit 2	*	Deriving and manipulating statistical information about customers and sales, performance information, questionnaire data etc.
	Unit 3	*	Deriving and manipulating statistical information on costs and revenue over time, financial planning information etc.

Key skill	GCSE unit	Examples of opportunities for developing the key skill or for generating key skills portfolio evidence NB these are illustrative only	
N2.2 d Carry out calculations to do with using formulae.	Unit 1	✗	
	Unit 2	✗	
	Unit 3	✓	Calculating break-even point.
N2.3 Interpret the results of your calculations and present your findings. You must use at least <b>one</b> graph, <b>one</b> chart and <b>one</b> diagram.	Unit 1	✗	
	Unit 2	*	Presenting market research data and findings using graphs, pie charts, frequency tables etc.
	Unit 3	✓	Representing sources of finance, predicting revenue in financial planning, representing in-flows and out-flows of cash in a cash-flow forecast etc. All these lend themselves to the use of tables, diagrams and charts.
C2.1 a Contribute to a discussion about a straightforward subject.	Unit 1	*	Discussing environmental constraints, the effect of economic conditions etc. Finding out about a business — how it communicates, recent changes in its activities etc.
	Unit 2	*	Identifying the stakeholders in a business, discussing any influence they may have over its activities, discussing employee expectations and what makes for good working arrangements, discussing the importance of customer service etc. Role playing recruitment.
	Unit 3	*	Discussing possible sources of finance for different projects, finding out how businesses use IT in accounting, discussing financial performance as part of financial planning, agreeing a budget, interpreting a balance sheet etc.

Key skill	GCSE unit	Examples of opportunities for developing the key skill or for generating key skills portfolio evidence NB these are illustrative only	
<p>C2.1 b</p> <p>Give a short talk about a straightforward subject, using an image.</p>	Unit 1	*	Any aspect of this unit's work would lend itself well to presentations, to the class or to others (eg those working within a business studied). Presentations could be supported by images (eg pie charts showing market share etc).
	Unit 2	*	Presentations to class or to others on eg laws protecting consumers and employees, how industrial disputes might be dealt with, the importance of customer service etc. Presenting the results of market research, with supporting visual aids.
	Unit 3	*	Presenting and explaining a cash flow forecast, pitching for finance based on a financial plan, presenting and interpreting a balance sheet, explaining start-up costs for a new product or service etc.
<p>C2.2</p> <p>Read and summarise information from <b>two</b> extended documents about a straightforward subject. One of the documents should include at least <b>one</b> image.</p>	Unit 1	✓	Mission statements, company reports, organisational structure charts, brochures, internal documents such as training and recruitment manuals and customer service charters, trade magazines, case study material, textbooks etc. There must be evidence that information from such sources has been summarised in the student's written work.
	Unit 2	✓	Company reports, organisation charts, job descriptions and advertisements, employment contracts, trade union literature, disciplinary and grievance procedures, ACAS code of practice, job application forms, customer service agreements, summaries of legislation, case study material, textbooks etc. There must be evidence that information from such sources has been summarised in the student's written work.
	Unit 3	✓	Examples of business documents, annual accounts and reports, financial plans, shareholder reports, case study materials, business finance brochures from banks, textbooks etc. There must be evidence that information from such sources has been summarised in the student's written work.

Key skill	GCSE unit	Examples of opportunities for developing the key skill or for generating key skills portfolio evidence NB these are illustrative only	
<p>C2.3</p> <p>Write <b>two</b> different types of documents about straightforward subjects. One piece of writing should be an extended document and include at least <b>one</b> image.</p>	Unit 1	✓	Essays, case studies, reports, articles etc (on eg a businesses' aims and objectives, external influences, possible effects of changes to the economy etc). Presenting information on market share, explaining how a business communicates, how it is structured etc, using flow charts and diagrams.
	Unit 2	✓	Reports, case studies, organisational flow charts, customer questionnaires, recruitment packs with job descriptions, job advertisements and application forms, newspaper articles on employee rights etc.
	Unit 3	✓	Financial plans, budgets, balance sheets with explanations, reports, case studies etc.
<p>IT 2.1</p> <p>Search for and select information for <b>two</b> different purposes.</p>	Unit 1	*	Using the internet, CD ROMs, databases etc to access information (on eg the current economic climate, individual businesses, environmental protection laws governing business activity etc). This might form the basis of written work, be used in presentations, be a source of visual material etc.
	Unit 2	*	Using the internet, CD ROMs, databases etc to gain/access to a great deal of information (eg on employee rights and dispute resolution, <a href="http://www.dti.gov.uk">www.dti.gov.uk</a> ; on consumer protection, <a href="http://www.tradingstandards.gov.uk">www.tradingstandards.gov.uk</a> , and also about individual businesses). This information might be used in written work, case studies, presentations etc.
	Unit 3	*	Using the internet, CD ROMs, databases etc to access information on sources of finance and payment methods, examples of business documents, information on costs etc.
<p>IT 2.2</p> <p>Explore and develop information, and derive new information, for <b>two</b> different purposes.</p>	Unit 1	*	Using spreadsheets, developing written work which brings together a range of sources such as economic data supported by explanatory text etc.
	Unit 2	*	Developing written work which brings together information from different sources such as the internet and own written work in reports, recruitment information, articles etc.
	Unit 3	✓	Creating and using spreadsheets and deriving results for use in predicting the impact of changes in costs and as part of cash-flow forecasting. Also developing written work including sample business documents.



Key skill	GCSE unit	Examples of opportunities for developing the key skill or for generating key skills portfolio evidence NB these are illustrative only	
IT 2.3 Present combined information for <b>two</b> different purposes. Your work must include at least <b>one</b> example of text, <b>one</b> example of images and <b>one</b> example of numbers.	Unit 1	*	Designing presentations using specialist applications, producing high quality written work using WP, importing images, presenting numerical sales information etc.
	Unit 2	*	Designing presentations using specialist applications, producing high quality written work using WP, importing images, presenting data on customer services performance, customer satisfaction etc.
	Unit 3	✓	Presenting results of spreadsheet calculations, with predictions, producing balance sheets and profit and loss accounts, with explanations, presenting financial plans and other financial information eg on costs as a proportion of revenue etc.
LP2.1 Help set short-term targets with an appropriate person and plan how these will be met.	Unit 1	*	Supporting investigations by structured planning on a one-to-one basis with the student. Setting targets (eg to produce a pie chart showing market share), and deadlines and action points for achieving these (eg accessing data on competitors, carrying out necessary calculations, finding out how to use the right software) etc.
LP2.2 Take responsibility for some decisions about your learning, using your plan and support from others to help meet targets. Improve your performance by: <ul style="list-style-type: none"> <li>• studying a straightforward subject</li> <li>• learning through a straightforward practical activity.</li> </ul>	Unit 1	*	If the student takes responsibility for successfully executing the plan agreed in LP2.1, and chooses different approaches to learning, eg reading textbooks and making notes, carrying out small scale market research activity etc, taking advice where appropriate.
	Unit 2	✗	
	Unit 3	✗	
LP2.3 Review progress with an appropriate person and provide evidence of your achievements, including how you have used learning from one task to meet the demands of a new task.	Unit 1	✗	
	Unit 2	*	Reviewing what has been learned and how they went about it, on a one-to-one basis with the student, eg in tutorials.
	Unit 3	✗	

Key skill	GCSE unit	Examples of opportunities for developing the key skill or for generating key skills portfolio evidence NB these are illustrative only	
PS2.1 Identify a problem and come up with <b>two</b> options for solving it.	Unit 1	✗	
	Unit 2	✗	
	Unit 3	✓	Financial planning, cash-flow forecasting, budgeting, calculating break-even point, identifying sources of finance etc can involve the consideration of a number of options eg advantages/disadvantages of different sources of finance, methods of payment for a product or service, expenditure targets etc. The problem might be considered solved if a realistic plan, forecast or budget is produced, or the correct break-even point derived, etc. The range of options must be considered and the most useful chosen, taking advice as appropriate, eg from a business tutor or businessperson.
PS2.2 Plan and try out at least <b>one</b> option for solving the problem, obtaining support and making changes to your plan when needed.	Unit 1	✗	
	Unit 2	✗	
	Unit 3	✓	Planning how to go about producing the financial plan, forecast or budget, and going ahead with that plan. Making changes and seeking advice as necessary.
PS2.3 Check if the problem has been solved by applying given methods, describe results and explain your approach to problem solving.	Unit 1	✗	
	Unit 2	✗	
	Unit 3	✓	Checking final plan, forecast or budget against figures used etc, explaining their use, and what was done at each stage of the project, including methods of working. Also, evaluating plan, forecast, budget etc in terms of strengths and weaknesses and how it might be done differently next time.

<b>Key skill</b>	<b>GCSE unit</b>	<b>Examples of opportunities for developing the key skill or for generating key skills portfolio evidence</b> <b>NB these are illustrative only</b>	
<p>WO2.1</p> <p>Plan straightforward work with others, identifying objectives and clarifying responsibilities, and confirm working arrangements.</p>	Unit 1	*	Tackling the investigation (of eg a case study or real business) as a team, setting group objectives and allocating individual responsibilities. Could fulfil the group-working requirement for this key skill.
	Unit 2	*	Tackling the investigation (of eg employment rights or working arrangements in a company) as a team, setting group objectives and allocating individual responsibilities. Could fulfil the group-working requirement for this key skill.
	Unit 3	*	Tackling cash-flow forecasting, financial planning, producing accounts etc as a team, setting group objectives and allocating individual responsibilities. Could fulfil the group-working requirement for this key skill.
<p>WO2.2</p> <p>Work co-operatively with others towards achieving identified objectives, organising tasks to meet your responsibilities.</p>	Unit 1	*	Allocating responsibilities to individuals which they must then pursue to achieve the group's objectives eg finding out about current interest rates or about environmental protection laws. Showing co-operative and effective working, and seeking advice as appropriate. If working in pairs or dealing with an employee of the business, could satisfy the one-to-one working requirement for this key skill.
	Unit 2	*	Allocating responsibilities to individuals which they must then pursue to achieve the group's objectives (eg collecting accounts information, producing diagrams etc). Showing co-operative and effective working, and seeking advice as appropriate. If working in pairs or dealing with a professional in the field, could satisfy the one-to-one working requirement for this key skill.
	Unit 3	*	Allocating responsibilities to individuals which they must then pursue to achieve the group's objectives. Showing co-operative and effective working, and seeking advice as appropriate. If working in pairs or dealing with someone who works in finance, could satisfy the one-to-one working requirement for this key skill.

Key skill	GCSE unit	Examples of opportunities for developing the key skill or for generating key skills portfolio evidence NB these are illustrative only	
WO2.3 Exchange information on progress and agree ways of improving work with others to help achieve objectives.	Unit 1	*	Planning the group's work to allow for progress checking, feedback and brainstorming eg on ways to find out information.
	Unit 2	*	Planning the group's work to allow for progress checking, feedback and brainstorming eg on ways to find out information.
	Unit 3	*	Planning the group's work to allow for progress checking, feedback and brainstorming eg on ways to find out information.

## Appendix D – Wider curriculum – spiritual, moral, ethical, social and cultural (SMESC) signposting

The purpose of the following tables is to signpost possible opportunities for assessing SMESC related issues, as well as signposting opportunities for the inclusion of Citizenship (Cz), Environmental (En) and European initiatives (EI) assessment possibilities. These opportunities derive from the unit specifications for the specific subject areas; as such they may be included more than once (if such an opportunity arises in the units more than once). Subsequently, the opportunity to assess a given criterion can occur more than once. The rationale behind this is that a student may require more than one opportunity to achieve the criterion, or the teacher may be elect to pursue a latter opportunity should it fit more easily into the assessment design.

It should be noted that the signposting serves only to highlight possible assessment opportunities. It is suggestive and therein a marker of an indicative assessment opportunity. It is not a prescriptive order, more a marker of prospective assessment occasions for a given criterion. It signifies potentiality for given SMESC, Cz, EI and En criteria to be assessed; it is not mandatory for assessment at every opportunity signposted. The discretion of the teacher in how and when to include the signposted opportunity in an assessment vehicle will be essential. As such, the signposting tables are an initial attempt to indicate where such opportunities may be found. It is envisaged that subject specialists and teachers will transform the signposting in to 'real' opportunities for assessment. Further, that they will furnish in detail the potential assessment opportunities with context driven scenarios that are conscious of the students' own backgrounds and circumstances in an attempt to realise the assessment opportunity.

## Wider curriculum signposting

<b>Sp</b>	spiritual	<b>M</b>	moral
<b>E</b>	ethical	<b>So</b>	social
<b>C</b>	cultural	<b>Cz</b>	citizenship
<b>EI</b>	European initiatives	<b>En</b>	environment

	<b>Sp</b>	<b>M</b>	<b>E</b>	<b>So</b>	<b>C</b>	<b>Cz</b>	<b>EI</b>	<b>En</b>
<b>Unit 1</b>								
How businesses organise themselves: So and C (if a business is seen as a culture).				*	*			
Types of business ownership and economic conditions concern EI and professional E/M as well Cz (making a contribution/voluntary services).		*	*	*		*	*	*
Functional areas: HR — So, C and Sp. Marketing: E and EI. Customer service: So & C. Admin & IT support: En issues. R&D: En aware, E, M and EI. Employee organisations: C. Data protection: EI.	*	*	*	*	*			*
Security: M obligation.		*						
Business communications and provision of goods/service to community: So, C and Sp; possible Cz.	*			*	*			*
External business influences: S, C, Sp, EI (ie economic constraints), and En.	*			*	*			*
Business operations without harming the environment: En and E.			*					*
Provide charitable/voluntary services: So, Sp, and Cz.	*			*		*		*
Business location: So, for appropriate skilled staff; local Government issues and financial help: EI; history and tradition: So, C.				*	*		*	*
Business activity may be influenced by current trends and competitors: So, E and En			*	*				*
Effects of technology: So, En, E and M — possible Cz.		*	*	*		*		*

	Sp	M	E	So	C	Cz	EI	En
<p><b>Unit 2</b></p> <p>Different stakeholders: So, C, Sp and Cz. Dealing with the government: EI and pressure groups: En, Cz and Sp.  Customer service: So, C and Sp and EI  Rights and responsibilities of employees and employers: E, M, EI and Cz.  Working arrangements and trends in patterns of work: So. Multiskilling: E dimension.  Resolving disagreements and recruitment and training issues: EI, So, C and Cz.  Health &amp; safety: EI and E, M and Cz (right conduct issues).  Confidential computer record: access, dissemination: EI.  Legal framework of business operations: EI as well as So, C and Cz.</p>	*	*	*	*	*	*	*	*
<p><b>Unit 3</b></p> <p>Legal framework of business finance: EI, ie annual accounts, business taxes, VAT.  Use of ICT: So trends and En issues, So, E and M dilemma as it may lead to job losses.  R&amp;D: E and EI and legal framework (included in case opportunity missed in Unit 1).  Data collection, storage and use: EI and E.</p>		*	*	*			*	*

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