Unit 5 Business Organisations

This unit ties in closely with Unit 1 (Business Activity) and Unit 4 (People and Work) and logically follow those two units.

Business Ownership and Control lends itself well to students setting up their own business within the school or college, and this can be a very useful mechanism for a Young Enterprise activity which could lead to a CIE qualification, and is also very useful for developing other aspects of the course (especially marketing, finance and accounting). If this course of action is undertaken, then this topic should be covered earlier, within unit 1.

Otherwise, teaching of this unit is likely to be textbook based with practical activities.

The topics will require access to a suitable textbook. For this purpose, IGCSE Business Studies Second Edition by Karen Borrington and Peter Stimpson is recommended. Chapters 10, 11, 12 will be very useful, in particular the case studies and exercises as well as activities on the accompanying CD-ROM.

If the Young Enterprise activity is undertaken, assessment could be continuous, otherwise assessment could be through multiple choice tests or suitable case studies.

Topics covered in this unit are:

5.1 Relationship between business objectives, growth and organisation
5.2 Types of business organisation
5.3 Limited and unlimited liability
5.4 Growth of multinational organisations
5.5 Control and responsibility
5.6 Internal organisation
5.7 Communication
5.8 Methods of communication
5.9 Revision

The Scheme is neither intended to be prescriptive, nor complete as local conditions will vary: time and resource availabilities are likely to differ considerably. More the Scheme is intended to give ideas to teachers upon which they can build. It is certainly not intended that teachers undertake all of the activities shown in the various units – that would be impossible in the time usually available – but rather to offer choices which could depend on local conditions. Timings for topics have not been given as there is a great deal of variability in time available for the qualification from centre to centre.

	Topic	Specification	Chapter	Activities	Resources	Glossary
5.1	Relationship between objectives, growth and business organisation.	Discuss the appropriateness of a given form of organisation in enabling a business to achieve its objectives.	10	Assignment to identify various types of business in the local area, and to comment on their suitability – could be based on CDROM worksheet on types of business. May be suitable for a young enterprise activity in which students set up their own limited company within the school/ college. This activity could then be used to tie in many other aspects of the specification. Summary table of advantages and disadvantages of each business type.	Yellow pages internet site e.g. www.yellowpages.co.uk Assignment sheet Pro forma table for advantages and Disadvantages Advice on student businesses can be found on www.youngenterprise.org.uk or www.jaintl.org. CIE offer a young enterprise qualification	Limited liability Partnership agreement Prospectus Unincorporated business Sole trader Limited company Franchise Joint venture
5.2	Types of business organisation (sole trader, partnerships, limited companies, franchise, joint venture).	identify and explain the main features of different forms of business organisation.	10			
5.3	Limited and unlimited liability.		10			
5.4	Growth of multinational companies.	Identify reasons for the importance and growth of multinational business.	2	Web based research to find turnover, employees, profits, Total assets, extent of operations of Exxon, McDonalds, Coca Cola, Marks & Spencer, National	Use local websites and http://www.carol.co.uk/, www.thetimes100.co.uk to find the statistical information. IGCSE Business Studies CD-ROM. See also resource list	Globalisation Multinational

		Topic	Specification	Chapter	Activities	Resources	Glossary
					Airline of students' country using http://www.carol.co.uk/ Also examine local websites of larger local businesses (could be multinational branches). IGCSE CD-ROM class activity on multinational: Globalisation issues.		
5.5		Control and responsibility	Draw, interpret and explain simple organisational charts.	10	Practical exercises of drawing organisational structures including own school/college, together with case study.	Singapore Airlines case study at www.thetimes100.co.uk (follow links)	Centralised Chain of command Decentralised Division of labour Organisational structures
			Comment on the central features of an organisational structure.				
5.6		Internal organisation (organisation structure hierarchy, span of control)	Discuss the role of management.	10,11	Can be illustrated by discussing organisation chart for own school/college.		Span of control Delegation Levels of hierarchy
5.7		Internal and external communication	Explain the different means of communication.	12	IGCSE CD-ROM Communication class activity.

Practical communication exercises e.g. getting | IGCSE Business Studies CD-ROM.

Case study Nan Fong Airlines at www.osl-ltd.co.uk follow the link to free resources, case studies, also see questions at same site. | Communication nets Internal communication Medium of communication Message |
| | | | Awareness of the barriers to effective communication | | | | |

	Topic	Specification	Chapter	Activities	Resources	Glossary
				students to draw an object described only in the spoken word by another student.		One way communication Receiver Sender Transmitter Two way communication
		Understand how the barriers to communication can be overcome.				
		Comment on the appropriateness of different means of communication.				
5.8	Internal communication (effective communication and its attainment)	Understanding of the methods of internal and external communication				
		Understand the need for effective communication				
5.9	Revision				Multiple choice questions and case studies from IGCSE CD-ROM and revision websites such as www.learn.co.uk , www.revisionnotes.co.uk and www.bbc.co.uk/schools/gcsebitesize/business/ and revision questions at end of chapters of IGCSE Business Studies textbook.	