

CORE PAPER

Business Activity

- Needs and wants
- Primary, secondary and tertiary sectors.

The Organisation

- Major business objectives and their importance.
- Stakeholders
- Differing aims of private and public sector

The Changing Business Environment

- Government influence on decisions - local, national and international.
- Different ways of measuring the size of a business
- The impact of technology on business.
- Global opportunities for and constraints on business activity including the effects on UK business of membership of the EU.

Ownership and Internal Organisation

- Types of business organisation - sole trader, partnership, limited company, public corporation, holding company.
- The importance and growth of multi-national companies.
- Limited and unlimited liability.
- Business activity undertaken by the government, and through government agencies.

Financing Business Activity

- Short and long term needs of the business.
- Main internal and external sources of finance for both public and private sector organisations.
- Factors affecting the methods of finance chosen.

Marketing

- Primary and secondary market research
- Presentation and use of research results.
- Market segmentation
- Franchises.
- The main elements of the marketing mix.
 - Product - design, name, range, packaging, the product life-cycle.
 - Price - methods and strategies.
 - Placement - channels of distribution.
 - Promotion - advertising, media selection and point-of-sale promotion.
- How these elements are combined into a marketing strategy.

Production

- Using and managing resources to produce goods and services.
- Methods of production - job, batch, process, flow.
- Economies of scale and dis-economies of scale.
- Classifying costs - fixed and variable, direct and indirect.
- Simple models of break-even analysis, their use and limitations.
- Quality assurance, meaning, methods and importance.

Financial Information and Decision-Making

- Cash flow forecasts.

- Importance of profit.
- The purposes and main elements of profit and loss account - gross and net profit calculations.
- Purposes and main elements of the Balance Sheet.
- Ratios

Human Needs and Rewards

- Payment systems.
- Pay slip.
- Managing and motivating workers, the benefits of and the methods of motivation and leadership styles.

Management and Recruitment

- Stages in recruitment and selection.
- The documents of recruitment and selection including the job description, person specification, advertisement, application forms and CVs.

Training and Staff Development

- The purposes of training – the maintenance and development of people in organisations.
- Types of training.

Reasons for Regulating Business Activity

- Supporting and controlling the impact of business activity on people, the economy and the environment.

Influences on Business Activity

- Location and development - grants, planning control, enterprise zones, infrastructure.
- The workforce - trade unions, types of industrial action and resolving conflict.
- Health and safety, contract of employment, employment protection, equal opportunities, the national minimum wage.
- The consumer - consumer protection.

