

Cambridge International Diploma
Standard Level

BUSINESS

For assessment in 2008

Syllabus

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SECTION 1: OVERVIEW OF THE DIPLOMA

1.0 Introduction

The Cambridge International Diploma in Business provides a framework for developing the skills and knowledge needed for employment in the increasingly dynamic business environment. The Diploma has been developed specifically for the international market, recognising the growing importance of employees working across geographic and cultural borders. The Diploma aims to meet the needs of employers, employees and students, by assessing knowledge and competence in a range of Business areas.

1.1 The International Dimension

The standards embodied in the Cambridge International Diploma in Business are valued in countries around the world. The syllabus and assessments provide a framework through which candidates, wherever they might be, can be assessed reliably against the performance standards.

The syllabus and assessments are available in English. Please note that the Cambridge International Diploma does not directly assess language skills, but is designed to give candidates the opportunity to show that they can apply the skills described in the syllabus specification.

1.2 Aims

The aim of this Diploma is to assess a candidate's competence in a range of Business skills.

The Cambridge International Diploma in Business (Standard Level) enables students to demonstrate:

- an understanding of the key business concepts
- application of skills to real work environments
- an ability to think and work independently

Candidates can be certificated for individual modules, the Core Certificate, or the full Cambridge International Diploma in Business. To achieve the Cambridge International Diploma in Business at Standard Level candidates must successfully complete **two** Core Modules and **two** from a choice of Optional Modules.

The modules available are outlined below:

Business Organisation and Environment	Core Module	2 hour examination (plus 15 minutes reading time)
Effective Business Communication*	Core Module	2 hour examination (plus 15 minutes reading time)
Business Finance	Optional Module	2 hour examination (plus 15 minutes reading time)
Marketing	Optional Module	2 hour examination (plus 15 minutes reading time)
Human Resource Management	Optional Module	2 hour examination (plus 15 minutes reading time)
Business Start-up	Optional Module	Assignment

- * Candidates with a BEC(H) qualification (Business English Certificate, Higher level – examined by Cambridge ESOL) can apply for exemption from the core module Effective Business Communication.

1.3 Target Group

The Cambridge International Diploma in Business (Standard Level) is aimed both at students who are considering going into work after senior school qualifications and employees in a junior position in the workplace. Candidates will need to have access to business organisations (which can include their own business or institution) in order to conduct research and gather information.

There are no formal candidate entry requirements for the Cambridge International Diploma in Business, but consideration should be given to a candidate's qualification history and experience. It is the Centre's responsibility to ensure the suitability of a candidate for entry to this course.

1.4 Length of Study

Each module is designed to take approximately 40 learning hours. This is a guideline only and Centres should plan the duration of courses of study based on candidates' prior qualifications and experience.

1.5 Tutor Support

A tutor support pack is available for the Cambridge International Diploma in Business. For further information please contact CIE Customer Services.

SECTION 2: ASSESSMENT PROCEDURES

2.0 Methods of Assessment

2.1 Examined Modules

The following Core and Optional modules are assessed by examination:

- Business Organisation and Environment
- Effective Business Communication
- Business Finance
- Marketing
- Human Resource Management

Module examinations will be available in two sessions, usually in May and October. A copy of the latest examination timetable for Cambridge International Diplomas is available through CIE administration.

2.2 Assignment Assessed Module

The following module is assessed through a Centre-based assignment:

- Business Start-up

The assignment guidelines are provided by CIE, but allow candidates to adapt their work to local situations. Assignments must be submitted to CIE for external marking, but may be submitted at any time.

The assignment is an extended piece of work which brings together the various skills and knowledge contained in the module. The module syllabus for the assignment-assessed module contains the assignment guidelines and requirements.

Centres must ensure that a candidate's work is submitted in its original form. Assignments submitted to CIE are not returned and Centres are advised to keep a copy of each candidate's submission. **Each assignment must be accompanied by a fully complete Student Assessment Record (SAR), a copy of which can be found in the syllabus and should be photocopied as necessary.** Centres should also encourage their candidates to complete an **Assignment Cover Sheet for Candidates** in order to ensure that the work submitted for assessment covers the required criteria. These are available in the syllabus and can be photocopied for distribution to the candidates.

CIE reserves the right to request further evidence, or to inspect Centres, in cases where there is doubt as to authenticity of submitted work.

Where Centres have issued a task sheet to candidates for guidance on the assignment, this should be submitted to CIE along with each candidate's assignment. Centres should ensure that each assignment is clearly labelled and accompanied by the assignment submission form.

Centres must ensure that **close reference is made to the assignment guidelines**, which specify the formal requirements.

2.3 Results and Certification

Certification is available at a number of stages in the Diploma in Business. Candidates who complete the two Core Modules will receive a Core certificate. Completion of two additional Optional Modules leads to the Cambridge International Diploma in Business. It is also possible to study for individual modules, for which certificates are awarded.

Pass, Merit and Distinction grades will be awarded. Candidates who fail to pass an assessment are able to re-take.

2.4 Grade Descriptors for Examined Modules

Results for examined modules of the Diploma in Business at Standard and Advanced Levels will be graded Distinction, Merit, Pass or Fail. The following grade descriptors are intended to provide an indication of the level of achievement required by students to achieve each grade. The final grade awarded will reflect the overall performance in the examination.

Distinction Level Grade Descriptor

The candidate will have demonstrated:

- excellent knowledge, understanding and specific application of the theory and skills described in the assessment objectives
- detailed knowledge and thorough understanding of the tasks posed in the examination paper
- well structured answers which demonstrate analysis of the subject matter
- appropriate reference to relevant and specific examples in the context of the case study
- coherent and well argued explanations including in-depth comment, comparisons and analysis, where necessary
- ability to draw relevant and valid conclusions in context

Merit Level Grade Descriptor

The candidate will have demonstrated:

- good knowledge, understanding and specific application of the theory and skills described in the assessment objectives
- a sound working knowledge and understanding of the tasks posed in the examination paper
- structured answers which show an ability to select and use information appropriate to the subject matter
- ability to provide general references and examples linked to the text
- ability to extract and comment on information available in the text and in the relevant subject matter
- ability to draw relevant conclusions in context

Pass Level Grade Descriptor

The candidate will have demonstrated:

- elementary knowledge, understanding and application of the theory and skills described in the assessment objectives
- relevant knowledge and understanding of the concepts and ideas of the tasks posed in the examination paper
- sequenced responses which contain a reasoned account of the subject matter
- reference to textual/relevant examples, where required
- ability to extract and present information in a logical format

2.5 Grading Criteria for the Assignment-Based Module

The assignment-based module will be graded Distinction, Merit, Pass or Fail. An assignment will not be awarded a Pass grade unless **all** Pass Level criteria have been demonstrated. To achieve a Distinction in an assignment-based module, candidates must achieve the majority of the criteria below at Distinction level, i.e. a minimum of four criteria must be achieved at Distinction level. To achieve a Merit in an assignment-based module, candidates must achieve the majority of the criteria below at Merit level, i.e. a minimum of four criteria must be achieved at Merit or Distinction level.

Distinction Level Criteria

For the award of a Distinction, the candidate's assignment will have demonstrated:

- **all assessment objectives**, as stated in the syllabus
- possession of a **broad range of knowledge** which reflects the syllabus requirements and which will contribute to the role s/he can play when entering employment in business
- ability to produce a **critical account or commentary** of the work undertaken or the materials produced
- **practical skill(s) to a high level**, as required in the syllabus (e.g. making presentations, reports prepared, business plans drawn up)
- ability to **select and evaluate appropriate reference sources** to contribute to assignment work
- an **excellent understanding** of how the tasks fit into the wider context of the business environment

Merit Level Criteria

For the award of a Merit, the candidate's assignment will have demonstrated:

- **all assessment objectives**, as stated in the syllabus
- possession of a **good knowledge** which reflects the syllabus requirements and which will contribute to the role s/he can play when entering employment in business
- ability to produce an **analytical account or commentary** of the work undertaken or the materials produced
- **practical skill(s) to a good level**, as required in the syllabus (e.g. reports prepared, business plans drawn up)
- ability to **select and comment on reference sources** to contribute to assignment work
- a **good understanding** of how the chosen tasks fit into the wider context of the business environment

Pass Level Criteria

For the award of a Pass, the candidate's assignment will have demonstrated:

- **all assessment objectives**, as stated in the syllabus
- possession of a **range of knowledge** which reflects the syllabus requirements and which will contribute to the role s/he can play when entering employment in business
- ability to produce a **reasoned account or commentary** of the work undertaken or the materials produced
- **practical skill(s) to a level acceptable for employment**, as required in the syllabus (e.g. reports prepared, business plans drawn up)
- ability to **select appropriate reference sources** to contribute to assignment work
- an **awareness** of how the tasks fit into the wider context of the business environment

For the award of a Pass grade **all** Pass Level Criteria must be achieved.

Full Diploma Criteria

A **Distinction** grade overall will be awarded for the full award at each level where candidates achieve:

- four modules at Distinction level
- three modules at Distinction level and one module at Merit level

A **Merit** grade overall will be awarded for the full award at each level where candidates achieve:

- four modules at Merit level
- three modules at Merit level and one module at Distinction or Pass level
- two modules at Merit level, one at Distinction level and one at Pass level
- three modules at Distinction level and one at Pass level
- two modules at Distinction level and two modules at Pass level

A **Pass** grade overall will be awarded for the full Diploma at each level where candidates achieve:

- four modules at Pass level
- three modules at Pass level and one module at Merit or Distinction level
- two modules at Pass level and two modules at Merit level.

SECTION 3: SYLLABUS OVERVIEW

3.0 Syllabus Structure

Each module in the Diploma has the following structure:

- Assessment Objectives
- Competence Criteria
- Skills and Knowledge

Assessment Objectives are outlined at the beginning of each module and in the tables following. Competence Criteria provide the basis of assessment and give a further breakdown of the objectives.

The Skills and Knowledge section identifies the concepts and skills that a candidate will need to demonstrate in the final assessment.

SECTION 4: MODULE CONTENT

Business Organisation and Environment

Assessment Objectives

- 1.0** Understand and describe the features and purposes of business organisations
- 2.0** Investigate and explain the internal structure of a business organisation
- 3.0** Demonstrate awareness of the elements of employment
- 4.0** Examine the influences of the environment on business organisations
- 5.0** Explain the importance of markets and customers

1.0 Understand and describe the features and purposes of business organisations	
Competence Criteria	Skills and Knowledge
1.1 demonstrate understanding of the nature of business activity	<ul style="list-style-type: none"> • definitions: business activity, business organisation or firm, goods and services, profit, the factors of production; the basic 'money cycle' or 'circular flow' • functions of a business: production, sales, etc.; how a business responds to market demand; contributes to the development of the economy; creates employment and wealth, and raises the standard of living
1.2 identify and compare the types, features and ownership of business organisations	<ul style="list-style-type: none"> • economic activity: primary, secondary, tertiary • sector: public, private, mutuality (non-profit-making) • size: micro, small, medium, large • type: sole trader, partnership, private company, public limited company, co-operative society, non-profit-making organisations, nationalised industry, public corporation • other business forms: franchise, holding company, multi-national • ownership: individuals, employees, shareholders, taxpayers, financial institutions, other companies • legal: identification of the appropriate legislation and regulations; how and why businesses are registered
1.3 examine and explain the objectives of business organisation	<ul style="list-style-type: none"> • profit-making organisations: make a profit [distribute profit to tax, reserves, and shareholders]; gain and enlarge a share of the market; increase sales revenue; provide a commercial or public service; provide employment; remain competitive; satisfy customer demand • non-profit-making organisations: same objectives as above but will make a 'surplus' rather than a profit;
1.4 describe the basic provision and controls of capital (general understanding)	<ul style="list-style-type: none"> • sources of capital: shares, debentures, loans, overdraft, trade credit, ploughed back profits, lease-back • types: share capital, working capital, fixed capital, start-up capital, venture capital • costs: impact of various costs on operation and profitability: overheads, direct and indirect costs, fixed and variable costs, use of break-even analysis to monitor costs and to forecast profit

<p>1.5 demonstrate knowledge and understanding of financial records and main books of account (general understanding)</p>	<ul style="list-style-type: none"> • the concept of double-entry book-keeping • records: invoice, receipt, bank statement, delivery note, purchase order, petty cash voucher, credit note, paying-in slip • books: day book or journal, cash book, ledgers [sales, purchases, nominal, general], bank reconciliation • distinction between cash and credit transactions; purpose of petty cash
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<p>2.0 Investigate and explain the internal structure of a business organisation</p>	
<p>Competence Criteria</p>	<p>Skills and Knowledge</p>
<p>2.1 identify and explain the internal structure of a business organisation</p>	<ul style="list-style-type: none"> • purpose of a structure: coordination of resources; distribution of work; target setting; company objectives; identifies levels of authority; provides channels of communication • types: hierarchical, flat, matrix; centralised versus decentralised • organisation: centralisation versus decentralisation • use of the organisational chart for distributing work, accountability, organising employees, target setting, communications, identifying the chain of command, span of control
<p>2.2 demonstrate awareness and understanding of the roles and duties of people in a business organisation</p>	<ul style="list-style-type: none"> • organisational hierarchy (senior, middle, junior management, supervisors, operatives); duties and roles at each level • directors; roles, powers and duties; executive and non-executive • stakeholders: management, workforce, directors, shareholders, customers, suppliers, bank, community
<p>2.3 comprehend the relationship of departments or functions in a business</p>	<ul style="list-style-type: none"> • how a business's functional activities (e.g. production, marketing, sales) link together and complement each other

3.0 Demonstrate awareness of the elements of employment	
Competence Criteria	Skills and Knowledge
<p>3.1 examine and appreciate the organisation of work and working arrangements</p>	<ul style="list-style-type: none"> • the nature of different types of employment: permanent, temporary, casual; fixed term contracts; full-time, part-time, flexitime; skilled, semi-skilled, unskilled; job sharing; self-employment • the work base: shop, factory, laboratory, office, home, teleworking; working environment; use of technology; hours and pay; training
<p>3.2 investigate the rights and responsibilities of employers and employees</p>	<ul style="list-style-type: none"> • employers' expectations of employees: co-operation; effective and efficient work to appropriate standard; commitment to the business; acceptance of company codes of conduct; loyalty; have or acquire appropriate skills; ability to work with others and be able to work on own initiative • employees' expectations of employers: suitable conditions of work and pay; fair treatment; appropriate training; promotion; not to undertake any activity which is illegal or dangerous; understand the role of and need for a staff association or trade union representation; provide means of resolving disputes; financial and non-financial incentives

4.0 Examine the influences of the environment on business organisations	
Competence Criteria	Skills and Knowledge
4.1 explain the influence of the environment on business organisations	<ul style="list-style-type: none"> • economic: acknowledgement of the profit motive; business incentive schemes; the business or trade cycle • political: policies e.g. intervention, deregulation; attitudes towards business; roles of pressure groups, and trade associations
4.2 research the external pressures and influences on business organisations and discuss how they determine the business climate	<ul style="list-style-type: none"> • social: distribution of income, population trends e.g. numbers available for work • environmental issues: pollution, ecology, location • government policies e.g. employment, growth, taxation, competition rules (e.g. monopolies and mergers, fair trading) • legal: appropriate legislation affecting the running of businesses, employing people, dealing with consumers • technological: changing use and application; pace of change • markets: domestic; international; inward investment; impact of multinationals
4.3 understand the reasons for and the factors affecting the location of business	<ul style="list-style-type: none"> • general factors: labour – supply, skills, reliability; natural resources; proximity to suppliers; access to markets; transport services; availability of facilities and land; geographical (e.g. climate, access to ports) • special factors: incentives – financial aid from domestic or foreign governments, environmental issues – public opinion and pressure, government policies

5.0 Explain the importance of markets and customers	
Competence Criteria	Skills and Knowledge
5.1 investigate the nature of markets	<ul style="list-style-type: none"> • local, domestic, international, global; choice and benefits of trading in chosen markets • market may be dictated by product, quality, price, government controls, health of the economy, competition
5.2 demonstrate understanding of the purpose and activities of marketing	<ul style="list-style-type: none"> • meet current market demand; influence changing fashion and taste; educate the market; improve existing products; develop new products • use of the marketing mix and the promotional mix to increase sales revenue, encourage repeat sales, extend customer base, develop and promote image
5.3 appreciate the importance of customers and customer relations	<ul style="list-style-type: none"> • satisfying customer demand as the focus and aim of the business; profile of customers e.g. buying habits, buying power, characteristics • ways of maintaining customer loyalty and increasing business e.g. after-sales service, refunds, replacements, delivery arrangements, provision of competitive credit facilities, maintenance of product standards, compliance with the legal provisions

Effective Business Communication

Assessment Objectives

- 1.0** Understand and appreciate the business communication process
- 2.0** Produce and understand effective written business documentation
- 3.0** Examine effective group communication
- 4.0** Investigate interviews as an effective means of communication
- 5.0** Identify and understand the use of visual aids in business communication

1.0 Understand and appreciate the business communication process	
Competence Criteria	Skills and Knowledge
1.1 identify why communication is necessary in business and relate this to a variety of business situations	<ul style="list-style-type: none"> communication is necessary for a business to operate successfully business needs to convey clear messages both within the organisation and to the outside business world businesses need to receive and process information effectively identify the different internal and external individuals, groups and organisations with whom people at work communicate, and their different needs: effective and efficient use of information; determining the needs of customers, and responding to those needs
1.2 choose the appropriate methods, and routes, of business communication	<ul style="list-style-type: none"> appreciate that an organisation that relies only on one-way communication methods is likely to experience business complications, e.g. top-down managers will not receive feedback organisation will be less able to respond to the changing demands of its customers, lack of two-way-communication will leave people feeling unmotivated; businesses are not self-sufficient, they need to communicate with external people and organisations need to ensure selection of appropriate communication method by asking standard questions: 'what is to be communicated?'; 'why is it to be communicated?'; 'who needs to know?'
1.3 evaluate the effectiveness of business communication	<ul style="list-style-type: none"> availability: it must be accessible to sender and receiver cost-effectiveness: depends on the level at which it is used ensuring that the best method of communication is used in a range of business situations

2.0 Produce and understand effective written documentation	
Competence Criteria	Skills and Knowledge
2.1 investigate methods of writing business letters and develop skills in producing such communication	<ul style="list-style-type: none"> purposes of business letters: making enquiries, selling, advertising, complaining, recruitment, disciplinary standard business letter layout including: corporate image on pre-printed letter heads; salutation (dear sir/madam); full address of organisation; telephone and fax numbers, e-mail address and appropriate content in a standard layout consider tone and appropriate information within the content of the letter and response mechanisms (when appropriate) appropriate closure/sign off for letters (yours faithfully and yours sincerely)

<p>2.2 investigate methods of writing business reports</p>	<ul style="list-style-type: none"> realise that the content of a report has three essential elements: 'introduction'; 'development' sets out the findings and results; 'conclusion and recommendations'. The use of manual and computer generated reports with set house styles
<p>2.3 understand the use of other methods of written communication</p>	<ul style="list-style-type: none"> identifying the appropriate uses and benefits of memos, faxes, e-mails, SMS, the Internet and Intranet to communicate understanding the need to use advanced technology to enable compatible communication with other countries, and the added emphasis on the written word with the reduction in personal contact confidentiality of information and responsibility for data protection, when sending written information by computer

<p>3.0 Examine effective group communication</p>	
<p>Competence Criteria</p>	<p>Skills and Knowledge</p>
<p>3.1 identify appropriate use of verbal and non-verbal communication</p>	<ul style="list-style-type: none"> recognise the use of verbal and non-verbal communication in a variety of business situations and evaluate the impact they can have in a group context using examples verbal: tone of voice, appropriate language used non-verbal: interpretation of body language; eye contact, hand gestures, active listening recognise the difficulties of verbal groups: lack of physical contact; lack of visual impact; cultural and language differences; timelines
<p>3.2 examine the group rules</p>	<ul style="list-style-type: none"> understand group communication and established 'norms' of group: dress code, behaviour, group hierarchy reasons why groups are formed: sense of belonging; common goals; shared work-place
<p>3.3 explain characteristics of effective groups</p>	<ul style="list-style-type: none"> effective communication within groups via appropriate formal and informal channels, including virtual channels examples of formal groups; 'functional groups', allocating work, managing work of department; 'self-managing groups', group members organise themselves and make their own decisions; 'project groups', often a temporary group which carries out a specific task factors affecting group effectiveness: 'size of the group'; 'group culture'; relationships within the group; 'group process'; clear expectation of group and individual roles

<p>3.4 identify the characteristics of successful meetings</p>	<ul style="list-style-type: none"> types of business meeting: 'regular meetings' which bring participants together more than once, e.g. company director's meeting; 'one-off meetings' for a specific purpose common elements of meetings: desired aims have been identified; members have an interest in end decisions; 'interests'; 'action points' are followed up; meeting takes place in a limited time scale; individual has assumed leadership or been elected
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4.0 Investigate interviews as an effective means of communication

Competence Criteria	Skills and Knowledge
<p>4.1 understand the purpose and nature of business interviews</p>	<ul style="list-style-type: none"> purpose: to obtain information, pass on information, clarify information attitude or behaviour-change interviews: suitable for sales, discipline, counselling, performance appraisal reviews problem-solving and decision-making interviews: suitable for employment interviews, performance appraisal reviews, medical interviews, counselling, grievance procedures, disciplinary interviews research and development interviews: suitable for market research, polls and opinion surveys, academic and writer research, customer care research
<p>4.2 identify appropriate interview structures</p>	<ul style="list-style-type: none"> non-structured interviews: no prearranged schedule or framing of questions purpose and topics discussed as interview proceeds: suitable for counselling interviews, but poorly prepared and badly conducted interviews can be dangerous loose or semi-structured interviews: major questions and follow-ups planned and framed prior to interview. (Mainly used for employment interviews.) structured interviews: all questions, mainly closed, arranged and scheduled in advance. Useful for comparing interviewee replies the effective interview must have a purpose: to be planned and contain controlled interaction structure: opening, body of interview, listening and questioning, summarising and closing the interview. A two way process ending with a summary of key action points identify the different types of questions which could be used in a business interview: open, closed, leading and scenario or hypothesising questions

5.0 Identify and understand the use of visual aids in business communications	
Competence Criteria	Skills and Knowledge
<p>5.1 identify and understand the different types of visual aids and prepare data using these techniques</p>	<ul style="list-style-type: none"> • table: convenience; easy way to store and present data; straightforward way to summarise number information • bar chart: series of bars in a vertical or horizontal format representing totals or amounts of items being compared using a common scale • pie chart: 'slices of pie'; scale in use is circular, representing 360 degrees • line graph: 'plotting of information'; two sets of information in a line graph are plotted in relationship to one another; one set of data plotted vertically, one horizontally
<p>5.2 examine the use of flow and organisational charts in business communication</p>	<ul style="list-style-type: none"> • use of activity charts to plot various operations of a system which gives a graphical picture of the steps and sequences of a procedure • use of organisational charts to show levels of authority and responsibility within an organisation, the lines of formal communication, the status and role of employees
<p>5.3 investigate how technology can enhance visual communication</p>	<ul style="list-style-type: none"> • use of computer graphics and manually constructed charts • the potential uses of multimedia aids in presenting information – including sound cards and video clips • the use of presentation graphics and computer software packages to enhance slide-based presentations, showing progressive information and data

Business Finance

Assessment Objectives

- 1.0** Understand the importance and use of finance in different types of business organisation
- 2.0** Describe the need for and use of financial procedures and reporting
- 3.0** Identify and explain the need for and use of financial, management and cost accounting methods
- 4.0** Understand and describe the elements of accounts and accounting records
- 5.0** Demonstrate the application of basic accounting techniques

1.0 Understand the importance and use of finance in different types of business organisation	
Competence Criteria	Skills and Knowledge
1.1 demonstrate understanding of the nature of business	<ul style="list-style-type: none"> the meaning and purpose of business; the nature of profit: definition, justification; the basic 'money cycle' or 'circular flow'
1.2 demonstrate understanding of the financial and legal implications of different types of business organisation	<ul style="list-style-type: none"> financial and legal responsibilities of sole traders, partnerships and incorporated bodies; duties of directors or owners
1.3 demonstrate knowledge and awareness of the capital structure of incorporated bodies	<ul style="list-style-type: none"> short term finance (e.g. trade credit, debt factoring) long term finance (e.g. retained profits, bank loans, venture capital) shares and share type (preference, cumulative, ordinary) distinction to be made between permanent and non-permanent capital base distinction to be made between increasing the liquidity of the organisation and increasing the capital base of the organisation
1.4 understand the reasons for business finance	<ul style="list-style-type: none"> acquisition of assets, tangible (e.g. land, vehicles, buildings) and intangible (e.g. patents, trademarks, copyright); provision of working capital (e.g. labour costs, purchase of raw materials and components, cash)

2.0 Understand the need for and use of financial procedures and reporting	
Competence Criteria	Skills and Knowledge
2.1 demonstrate knowledge and understanding of internal and external needs of financial reporting	<ul style="list-style-type: none"> internal users of records: management, employees – e.g. monitor, analyse and evaluate performance; financial controls; records of assets and liabilities; capital; taxation profits external users of records: e.g. banks (loans, overdrafts), suppliers (trade credit), media (reporting), prospective investors (security of investment, growth), owners/shareholders (vested interest), government departments (statistics, taxation)
2.2 demonstrate knowledge and understanding of the basic principles of financial accounting	<ul style="list-style-type: none"> principles include: business entity (business has separate identity as ‘an artificial legal person’); historic cost (valuation of assets at original cost); realisation (profits earned when products legally sold), money terms (values of goods and services expressed accurately), consistency (maintenance of valuation decisions), disclosure (assumed compliance with accounting standards), accruals or matching (costs and revenue matched with the time period in which they occur), materiality (items ignored if insignificant to overall results), going-concern (business viability), prudence (reporting in a conservative manner)
2.3 understand the relationship between accounting principles and standards	<ul style="list-style-type: none"> appreciate the need for international harmonisation of standards: growth of international investment, use of electronic dealing, transnational firms

3.0 Identify and explain the need for and use of financial, management and cost accounting methods	
Competence Criteria	Skills and Knowledge
3.1 demonstrate understanding of the nature of financial accounting	<ul style="list-style-type: none"> ‘true and fair view’ i.e. accurate record of organisation’s financial position; concerned with past record; recording and assembling data; summarising financial detail; presenting and communicating information
3.2 demonstrate understanding of the nature of management accounting	<ul style="list-style-type: none"> use of financial information for internal management purposes: analysis, break-even calculation, budgetary control, cost or profit centres, investment appraisal forecasts and planning
3.3 demonstrate understanding of the nature of cost accounting	<ul style="list-style-type: none"> allocation of costs to different activities; recognition of various costs – direct and indirect, fixed and variable, overheads, marginal, unit; enable managers to make decisions on e.g. pricing, ‘make or buy’ decisions

4.0 Understand and describe the elements of accounts and accounting records	
Competence Criteria	Skills and Knowledge
4.1 demonstrate understanding of the concept of double-entry bookkeeping	<ul style="list-style-type: none"> every transaction recorded twice i.e. as a debit and a credit application of equation: capital = assets – liabilities mechanism to ensure the balance sheet balances
4.2 demonstrate knowledge and understanding of financial records and main books of account	<ul style="list-style-type: none"> records: invoice, receipt, bank statement, delivery note, purchase order, petty cash voucher, credit note, paying-in slip books: day book or journal, cash book, ledgers (sales, purchases, nominal, general), bank reconciliation distinction between cash and credit transactions, purpose of petty cash

5.0 Demonstrate the application of basic accounting techniques	
Competence Criteria	Skills and Knowledge
5.1 demonstrate elementary record and bookkeeping skills	<ul style="list-style-type: none"> record transactions; analyse information into accounts: use and understand double-entry system
5.2 demonstrate the ability to prepare a basic set of company accounts	<ul style="list-style-type: none"> cash flow statement; profit and loss account; balance sheet

Marketing

Assessment Objectives

- 1.0** Understand and describe the purposes and functions of a marketing culture
- 2.0** Investigate and explain the reasons for, and use of, marketing research for business decisions
- 3.0** Understand how to identify customer needs and target segments
- 4.0** Understand and explain the meaning and use of the marketing planning process
- 5.0** Explain and apply the marketing mix to a product or service

1.0 Understand and describe the purposes and functions of a marketing culture	
Competence Criteria	Skills and Knowledge
1.1 identify the purposes and key activities of a marketing culture within organisations	<ul style="list-style-type: none"> • definitions: the relationship between the seller and the buyer, meeting and anticipating the needs of customers; the importance of the customer • purposes: to identify, anticipate, influence and satisfy consumer needs; responding to changes in the market; improving market share; entering new markets; increasing awareness of the product or service; achieving organisational goals • activities: introduction of basic activities and functions of market analysis and research; segmentation; targeting; marketing mix; promotions mix
1.2 clearly identify the implications of a marketing orientation	<ul style="list-style-type: none"> • customers: the importance of keeping good customers • how to build and maintain customer loyalty through relationship marketing • the need for all employees to focus on the customer • cases: identify examples of organisations which have been successful in managing customer/client relationships and building reputations

2.0 Investigate and explain the reasons for, and use of, marketing research for business decisions	
Competence Criteria	Skills and Knowledge
2.1 explain the reasons for marketing research	<ul style="list-style-type: none"> • definitions: the collection and analysis of market or customer information • reasons for undertaking market research: to find out about the market and competitors' products, understand the demand for the product, identify prices the customer will accept, explore customer satisfaction levels, test effectiveness of activities
2.2 consider the use of different research methods	<ul style="list-style-type: none"> • primary: first-hand information obtained from field research such as interviews, focus groups, observation, postal surveys, and telephone questionnaires • secondary: second-hand data i.e. data which has been already collected, collated and published – known as desk research; sources include company records, government publications, trade associations, specialist libraries, trade journals, competitors • suitability: consider usefulness of data collection methods: bias; cost involved; time required; use of marketing research agencies

3.0 Understand how to identify customer needs and target segments	
Competence Criteria	Skills and Knowledge
3.1 understand the importance of identifying target segments	<ul style="list-style-type: none"> • segmentation: definition – division of market into groups of customers with similar needs • consumer bases: identification of different basis for segmentation: i.e. geographic (by country or region); demographic (age, gender, ethnicity, socio-economic class); psychographic (attitude, interest, motivation, lifestyle) • business to business bases: identification of different basis for segmentation: i.e. geographic (by country or region); business demographics (size, number of employees, industry type, age of company); purchasing approach (centralised/decentralised, decision making unit); situational factors (size of order, urgency, new or re-buy) • reasons: identifying new markets, enabling specialisation, gain competitive advantage in certain segments
3.2 identify the planning process for the collection of information	<ul style="list-style-type: none"> • objectives: identify the reason for the research i.e. to find out customers' attitudes, attractiveness of new packaging, etc. • select sources of information: primary or secondary data, considering the costs involved, and any possible bias • collect data: decide on the best groups of people to survey (sampling). Consider the size of the survey to be undertaken • analyse data: information gathered must be analysed in order to be useful • conclusions: draw conclusions from the analysis of data to help with marketing decisions

4.0 Understand and explain the meaning and use of the marketing planning process	
Competence Criteria	Skills and Knowledge
4.1 explain the reasons for effective marketing planning	<ul style="list-style-type: none"> reasons: leading to becoming more competitive, keeping ahead of customers' changing needs, providing a 'map' for employees to work to
4.2 understand the marketing planning process	<ul style="list-style-type: none"> introduction to external issues (PEST - Political, Economic, Societal and Technological), and internal issues (current plans and sales figures), which may influence the marketing plan SWOT analysis: identification of internal Strengths and Weaknesses, and external Opportunities and Threats to the organisation or product objectives: set marketing objectives for the next year – i.e. what do we want to achieve? SMART objectives segmentation: identify the best segments which should be targeted marketing mix: basic introduction to the marketing mix (product, price, place, promotion) and how it can be changed for different products and services (people, process and physical evidence) control issues: importance of checking effectiveness of marketing activities

5.0 Explain and apply the marketing mix to a product or service	
Competence Criteria	Skills and Knowledge
5.1 understand the marketing mix, and the extended marketing mix	<ul style="list-style-type: none"> • definition: the 4Ps; product, price, promotion, place • definition: the 7Ps; product, price, promotion, place, people, process and physical evidence • balance: consider the importance of achieving right balance between elements - linked to the marketing plan, and the situation/context
5.2 describe the importance and impact of each element of the marketing mix	<ul style="list-style-type: none"> • Product (or service): meeting the needs of customers; use; appearance; brand, image, after-sales service • Price: identifying the best pricing strategies: mark-up (cost-plus method), market penetration, market skimming, loss leader • Promotion: understand and consider the most appropriate promotions mix: advertising; sales promotions; personal selling; public relations; direct marketing • Place: choosing the best channels to distribute the product: such as wholesalers, retailers, direct methods (i.e. Internet and mail order) • People: the employees involved in delivering a service – training, attitude, uniforms • Process: systems in place to facilitate customer service – appointments, timescales • Physical evidence: appearance of staff, premises, vehicles, etc – appropriate
5.3 application of the marketing mix and the Product Life Cycle (PLC)	<ul style="list-style-type: none"> • PLC: understand the PLC model. Identify each stage of the PLC: introduction, growth, maturity, decline • marketing mix: choosing the best mix of price, product, place and promotion for goods and services at each stage of the PLC • selected campaigns: examples of successful and unsuccessful campaigns in the context of the 4Ps

Human Resource Management

Assessment Objectives

- 1.0** Understand the meaning, purpose and organisation of Human Resource Management
- 2.0** Investigate the employment market and the frameworks within which organisations manage people
- 3.0** Describe how organisations meet their human resource needs
- 4.0** Describe the methods used to enable individuals and groups to work together effectively and overcome conflict
- 5.0** Understand how organisations reward, motivate and develop employees

1.0 Understand the meaning, purpose and organisation of Human Resource Management	
Competence Criteria	Skills and Knowledge
1.1 understand the meaning of 'Human Resource Management' and its purpose	<ul style="list-style-type: none"> • meaning: Human Resource Management as the process for creating and maintaining relationships between the people who work for and with them, and between organisations • purpose: providing the right mix of skills, controlling the costs of employment (wages and salaries, support (admin) costs, social costs); ensuring the organisation has the ability to react effectively to change
1.2 understand different approaches to the management of human resources	<ul style="list-style-type: none"> • centralised vs. decentralised; division of responsibilities between line managers and Human Resources (HR) specialists

2.0 Investigate the employment market and the frameworks within which organisations manage people	
Competence Criteria	Skills and Knowledge
2.1 investigate and explain the significance of the main features of the employment market	<ul style="list-style-type: none"> • sectors of employment and trends; age and gender trends; full-time vs part-time vs self-employment trends
2.2 describe the function of organisations which influence how human resources are managed	<ul style="list-style-type: none"> • Trade Unions; Employer's Associations; government agencies; professional bodies (e.g. British Medical Association; American Society of Training and Development; Hong Kong Management Association)
2.3 understand the influence of technical change on human resource management	<ul style="list-style-type: none"> • the creation of needs for new skills; the implications for career development, career changes, training and lifelong learning
2.4 describe aspects of the legal environment which affect how people are managed	<ul style="list-style-type: none"> • employment protection; equal opportunities; health and safety; maternity/paternity; working hours and minimum wage

3.0 Describe how organisations meet their human resource requirements	
Competence Criteria	Skills and Knowledge
3.1 describe different types of employment contracts	<ul style="list-style-type: none"> permanent; temporary: fixed term; for specific jobs/tasks; part-time
3.2 describe the recruitment and selection process	<ul style="list-style-type: none"> recruitment: purpose (finding the right person, presenting a positive image of the organisation); use of job descriptions and person specifications; application forms or CVs; methods for attracting candidates (choosing the right media) selection: letters of application; CVs; application forms; references; tests; interviews
3.3 describe how the contract of employment can end	<ul style="list-style-type: none"> resignation; retirement; redundancy; dismissal, mutual agreement, end of contract
3.4 describe different ways of organising work	<ul style="list-style-type: none"> different working patterns (day work, shift systems, flexitime)

4.0 Describe the methods used to enable individuals and groups to work together effectively and resolve conflict	
Competence Criteria	Skills and Knowledge
4.1 understand how organisations measure and monitor people's performance at work	<ul style="list-style-type: none"> standards, targets, key competencies; appraisal systems
4.2 describe systems for communicating	<ul style="list-style-type: none"> formal consultation and negotiation systems (Works Councils, worker directors), committee structures (safety, consultation)
4.3 describe systems for resolving problems	<ul style="list-style-type: none"> individual problem-solving mechanisms (discipline and grievance procedures) improvement initiatives (e.g. Total Quality Management)

5.0 Understand how organisations reward, motivate and develop employees	
Competence Criteria	Skills and Knowledge
5.1 describe different methods of payment	<ul style="list-style-type: none"> salaries vs. wages; fixed rates; piece-work; payment by results; bonuses and profit-sharing systems; share option schemes; pensions
5.2 describe the use of 'fringe benefits'/non-financial rewards	<ul style="list-style-type: none"> holidays, company cars, cheap loans, subsidised food and accommodation, health care, preferential access to the organisation's products or services
5.3 understand how the nature of work contributes to motivation	<ul style="list-style-type: none"> working conditions; job satisfaction; promotion; working relationships (both with colleagues and managers); recognition; levels of responsibility
5.4 understand the main features of training and development	<ul style="list-style-type: none"> induction training; internal vs. external training; training on and off the job; skills, continuing professional development (cpd)

Business Start-Up

Assessment Objectives

- 1.0** Identify and describe a proposed business activity
- 2.0** Investigate and explain the process of setting up a business
- 3.0** Identify and describe the elements of business finance
- 4.0** Understand the nature and structure of the business plan
- 5.0** Choose, investigate and present a business proposal

1.0 Identify and describe a proposed business activity	
Competence Criteria	Skills and Knowledge
1.1 describe a business idea	<ul style="list-style-type: none"> the product or service: the reasons(s) for the choice new or existing business; the actual (or realistic assumption of) market, customers and competitors
1.2 describe the personal skills required to establish a business	<ul style="list-style-type: none"> personal ambitions, motivation and commitment; business or career experience; personal attributes (self-discipline, imagination, vision, education); practical skills (language, computer literate, technical ability)

2.0 Investigate and explain the process of setting up a business	
Competence Criteria	Skills and Knowledge
2.1 identify and explain sources of assistance and advice	<ul style="list-style-type: none"> professional (includes): accountant (business plan, balance sheet and accounts, taxation, payroll); advertising agent/PR advisor (advertisements, sales promotion, image); banker (business and financial support); business consultant (development of the idea, the business plan, contacts); estate agent (property sales or lets); lawyer (legal structure, business registration, contract) institutional (includes): Chamber of Commerce (local support, networking, business advice); local government (planning); tax authorities (taxation); trade association (code of conduct, standards, networking, advice, training)
2.2 investigate types of business organisation	<ul style="list-style-type: none"> sole trader, partnership, limited company, unlimited company, franchise
2.3 understand and explain essential business start-up requirements	<ul style="list-style-type: none"> trading premises: e.g. buy or lease; equipment; space required – office, warehouse, factory; access banking arrangements: e.g. business accounts, cheques signatories finance: adequate finance for start up and working capital e.g. shares, loans, overdraft insurance: e.g. motor vehicles, public liability, fire, damage, theft stationery: e.g. letterheads, business cards, invoices accounting system: legal obligation to keep financial records

3.0 Identify and describe elements of business finance	
Competence Criteria	Skills and Knowledge
3.1 understand and explain reasons for business finance	<ul style="list-style-type: none"> • acquisition of assets – tangibles such as land, machinery, buildings; intangibles such as brand names, goodwill • provision of working capital i.e. day to day finance for running the business e.g. raw materials, general expenses, credit offered to customers
3.2 identify and describe the types and sources of business finance	<ul style="list-style-type: none"> • types: share capital, debentures, loans, overdraft, leasing, hire purchase, trade credit, customer finance e.g. deposits, payment in advance • sources: personal resources; cash, savings, investments • internal: partners, shareholders, (once established) ploughed profits • external: banks, finance houses, leasing companies, suppliers
3.3 demonstrate understanding of the elements of forecasting costs and profit	<ul style="list-style-type: none"> • direct costs (materials, labour); indirect costs (rent, interest charges); definition of profit – gross and net; budgeting • break-even calculation; cash flow forecast

4.0 Understand the nature and structure of the business plan	
Competence Criteria	Skills and Knowledge
4.1 investigate and explain the nature of the business plan	<ul style="list-style-type: none"> • description of business proposals and objectives; to attract investors; to monitor business progress
4.2 demonstrate ability to understand and produce an elementary business plan	<p>the plan should address the following topics:</p> <ul style="list-style-type: none"> • description of the business and its objectives: name and address of the business; details of the business activity; legal status; summary of the business proposal; mission statement; short and long term plans; skills of key personnel • marketing plan: description of the product or service – features, potential market; sales forecasts; competitors; marketing mix • production plan: costs; employees; premises; equipment • resources: capital items (vehicles, equipment, computers); business financial resources; assets, finance required • financial information: break-even forecast; cash flow forecast; finance required

5.0 Choose, investigate and present a business proposal	
Competence Criteria	Skills and Knowledge
5.1 prepare a report, including a business plan, for a new business venture	<ul style="list-style-type: none"> • details of the assignment requirements can be found in the section headed 'Assignment Guidelines' which follows
5.2 self evaluation	<ul style="list-style-type: none"> • strengths and weaknesses of the approaches taken • quality of the business plan • what would be done differently if the process were to be repeated

Assignment Contents

(Page 2 of 3)

Choose, investigate and present a business proposal. Prepare a **report**, which must include a **business plan**, on the development of a business proposal. The plan should include discussion of the product or service and type of business organisation chosen along with an explanation of how the candidate plans to set up the business. This will include a discussion of **sources of advice** and **finance**.

You should go through the grids and indicate in the boxes where the evidence can be found. You may want to add a comment to explain your choice, but this is not always necessary.

Select and describe the business idea		Page no.	Comments
1.1	Describe a business idea <ul style="list-style-type: none"> the product or service: the reasons for the choice new or existing business; the actual (or realistic) assumptions of market, customers and competitors 		

Identify and discuss the personal skills of the candidate

1.2	Describe and explain the personal skills required to establish a business <ul style="list-style-type: none"> personal ambitions, motivation and commitment; business or career experience; personal attributes (self-discipline, imagination, vision, education); practical skills (language, computer literate, technical ability) 		
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Describe the sources of advice for the business idea

2.1	Identify and explain sources of assistance and advice <ul style="list-style-type: none"> professional (includes): accountant (business plan, balance sheet and accounts, taxation, payroll); advertising agent/PR advisor (advertisements, sales promotion, image); banker (business and financial support); business consultant (development of the idea, the business plan, contacts); estate agent (property sales or lets); lawyer (legal structure, business registration, contract) institutional (includes): Chamber of Commerce (local support, networking, business advice); local government (planning); tax authorities (taxation); trade association (code of conduct, standards, networking, advice, training) 		
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Identify the type of business organisation most suitable for the business idea

2.2	Investigate types of business organisation <ul style="list-style-type: none"> sole trader, partnership, limited company, unlimited company, franchise 		
2.3	Understand and explain the essential business start-up requirements for the candidate's business idea <ul style="list-style-type: none"> trading premises: e.g. buy or lease; equipment; space required – office, warehouse, factory; access banking arrangements: e.g. business accounts, cheques signatories finance: adequate finance for start up and working capital e.g. shares, loans, overdraft insurance: e.g. motor vehicles, public liability, fire, damage, theft stationery: e.g. letterheads, business cards, invoices accounting system: legal obligation to keep financial records 		

Discuss the provision of business finance – explain how the business idea will be financed and identify the sources of finance.		Page no.	Comments
3.1	<ul style="list-style-type: none"> understand and explain reasons for business finance acquisition of assets – tangibles such as land, machinery, buildings; intangibles such as brand names, goodwill provision of working capital i.e. day to day finance for running the business e.g. raw materials, general expenses, credit offered to customers 		
3.2	<ul style="list-style-type: none"> identify and describe the types and sources of business finance types: share capital, debentures, loans, overdraft, leasing, hire purchase, trade credit, customer finance e.g. deposits, payment in advance sources: personal resources; cash, savings, investments internal: partners, shareholders, (once established) ploughed profits external: banks, finance houses, leasing companies, suppliers 		
3.3	<ul style="list-style-type: none"> Demonstrate understanding of the elements of forecasting costs and profit direct costs (materials, labour); indirect costs (rent, interest charges); definition of profit – gross and net; budgeting break-even calculation; cash flow forecast 		

Complete a Business Plan**Explain the importance of developing a business plan for your start-up**

4.1	Investigate and explain the nature of the business plan <ul style="list-style-type: none"> description of business proposals and objectives; to attract investors; to monitor business progress 		
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Check that your business plan contains all the relevant details in an acceptable format

4.2	Demonstrate ability to understand and produce an elementary business plan <ul style="list-style-type: none"> description of the business and its objectives: name and address of the business; details of the business activity; legal status; summary of the business proposal; mission statement; short and long term plans; skills of key personnel marketing plan: description of the product or service – features, potential market; sales forecasts; competitors; marketing mix production plan: costs; employees; premises; equipment resources: capital items (vehicles, equipment, computers); business financial resources; assets, finance required financial information: break-even forecast; cash flow forecast; finance required 		
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Self Evaluation

5.2	Comment on: <ul style="list-style-type: none"> Your approach to developing the business plan for your business idea Your report - strengths and weaknesses; coverage of the performance criteria identified in the sections above 		
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BUSINESS STANDARD LEVEL
BUSINESS START-UP (OPTIONAL MODULE) 5167

Student Assessment Record (SAR)

(Page 1 of 1)

Instructions to Tutor:

Please sign and date this form when the candidate can achieve each objective reliably, consistently and without help. Submit the completed SAR with each assignment to verify it is the candidate's own work.

COMPETENCE CRITERIA

**Please tick when
competence criteria
have been met**

1.0 Identify and describe a proposed business activity

- 1.1 Describe a business idea
- 1.2 Describe the personal skills required to establish a business

2.0 Investigate and explain the process of setting up a business

- 2.1 Identify and explain sources of assistance and advice
- 2.2 Investigate types of business organisation
- 2.3 Understand and explain essential business start-up requirements

3.0 Identify and describe elements of Business Finance

- 3.1 Understand and explain reason for business finance
- 3.2 Identify the types and sources of business finance
- 3.3 Demonstrate understanding of the elements of forecasting costs and profit

4.0 Understand the nature and structure of the business plan

- 4.1 Investigate and explain the nature of the business plan
- 4.2 Demonstrate ability to understand and produce an elementary business plan

5.0 Choose, investigate and present a business proposal

- 5.1 Prepare a report, including a business plan, for a new business venture
- 5.2 Self evaluation

I state that the competence criteria have been achieved and that the submitted assignment is my own work

I verify that the candidate has achieved all the competence criteria and that the submitted assignment is the candidate's own work

Signed _____

Signed: _____

Candidate Name _____

Tutor Name _____

Candidate number _____

Centre Name _____

Centre Number _____

Date _____

Date _____

ASSIGNMENT GUIDELINES

Business Start-up – Standard Level

In addition to demonstrating competence in each of the module objectives candidates must prepare and carry out an assignment. The assignment should be supported by the documents specified in the guidelines below. The assignment covers all of the module aims and selected detailed objectives.

The assignment is described in detail below. Preparation is the key to success and it is suggested that candidates take the following step by step approach:

- read the assignment guidelines carefully and discuss them with the tutor to ensure full and clear understanding of what is required
- write a plan outlining how the tasks are to be approached
- candidates should discuss possible ideas with the tutor, and if necessary modify the plan
- carry out the various steps in the assignment
- produce a written report, ensuring all guidelines and requirements are adhered to.

Reports should ideally be word-processed or typed, but legible hand-written reports are also acceptable.

Presenting your Report

Candidates must present their findings in the form of a written report.

The written report must:

- indicate how the candidate went about the investigation
- demonstrate adequate coverage of the aims and objectives
- be between 1400-1800 words long
- be typed or word-processed (but legible hand writing is also acceptable)
- have a logical structure with clearly presented and explained sections
- have well-summarised findings from the investigation
- have a clear, legible and business-like layout and format.

The Assignment

Choose, investigate and present a business proposal:

Prepare a **report**, which must include a **business plan**, on the development of a business proposal. The plan should include discussion of the product or service and type of business organisation chosen along with an explanation of how the candidate plans to set up the business. This will include a discussion of sources of advice and finance.

Criteria for Assessment

The report must demonstrate that the candidate has met the following objectives:

- select and describe the business idea [**Competence criterion 1.1**]
- identify and discuss his/her personal skills [**Competence criterion 1.2**]
- describe the sources of advice [**Competence criteria 2.1 and 2.3**]
- identify the type of business organisation [**Competence criterion 2.2**]
- discuss the provision of business finance [**Competence criteria 3.1, 3.2 and 3.3**]
- complete a business plan [**Competence criteria 4.1, 4.2, 5.1 and 5.2**]

Undertaking the Assignment

The assignment calls for the investigation and discussion of a business idea or proposal. Candidates should select a product or service which they can market in their own country (although this does not exclude export / import activity).

Candidates may have an original idea or, more likely, have noticed a gap in the market which can be exploited with an existing product or service. **It is imperative that candidates select an idea that can be readily investigated** i.e. easy access to market research data, background and trade information from appropriate sources (e.g. journals, trade or professional associations, government departments, own primary sources).

The actual business idea proposed is less important than the ability to discuss and assemble a business plan.

If the candidate is a member of a Young Enterprise company or Mini-Co then they may submit a report on the company's business activity. The report must be the candidate's **own work**.

Candidates should be careful not to be too ambitious with their projects; it should be remembered that they are demonstrating understanding of the module. The actual proposal is less important than their ability to complete a business plan.

The investigation will cover all aims of the module and this means that the business planning must pay attention to each of the areas but not necessarily in equal measure.

The assignment should be completed within 1400-1800 words (excluding any illustrations and appendices). As a general guide the business plan element should not, ideally, be less than half of the assignment. The object of the business plan is to win the approval and financial backing for the business idea.

The areas of **specific interest and focus** should be as follows:

- **The business proposal:** a clear and full description of the idea, giving the reasons for the choices made.
- **The personal skills of the candidate:** an explanation of what the candidate believes are his/her skills, and how he/she will use them to make the business a success.
- **Sources of advice:** a description of those offering the practical help candidates would use to help them set up the business and to assist in defining the business objectives.
- **Type of business organisation:** an indication of which type is preferred and reason(s) why.
- **Business Finance:** an explanation of how the candidate plans to obtain capital, how much will be needed, and how much the candidate thinks he/she should personally invest.
- **Business Plan:** this must be complete and will include reference to appropriate areas of interest e.g. business objectives, marketing, production, personnel requirements, projected profit.

Tutors should ensure that the Student Assessment Record (SAR) sheets for this module are fully completed and signed, indicating student competence in each area. SARs should be submitted along with the candidate's work. Failure to submit fully complete SARs will result in work being returned. CIE reserves the right to request further evidence, or to inspect Centres, in cases where there is doubt as to authenticity of submitted work.

Candidates should be encouraged to complete the **Assignment Coversheet for Candidates** in order to ensure that any work submitted for assessment covers the required criteria. The grids can be used to identify where the evidence for the assessment criteria can be found in the assignment.

Centres are required to *actively* ensure authenticity of work before completing the SAR and the declaration of authenticity. Centres will be held responsible if issues of authenticity are not addressed.

In cases where there is doubt about the authenticity of any work submitted to CIE for assessment, CIE reserve the right to undertake appropriate checks, such as telephone or other interviews, to determine whether the work is authentic. Any decisions reached by CIE on matters of authenticity and any subsequent action taken will be final.