

Cambridge Pre-U Teacher Guide

Cambridge International Level 3
Pre-U Certificate in
BUSINESS AND MANAGEMENT

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Pre-U

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Teacher Guide

Business and Management (9771)

**Cambridge International Level 3
Pre-U Certificate in Business and Management
(Principal)**

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Cambridge International Level 3 Pre-U Certificate

Business and Management**9771****Contents**

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Introduction

The Teacher Guide to Cambridge Pre-U Business and Management is intended to offer useful additional material to that provided in the syllabus, with ideas for teaching and course planning.

At a later date, annotated exemplar candidate work will be available, together with standards exemplification. In the meantime, a Trialling Report is available for teachers with examples of students' responses to the first sample papers and examiners' comments.

Additionally, teachers are reminded of the Cambridge Pre-U Online Community website <http://cambridgepreu.cie.org.uk> where new material for Business and Management will be posted and opportunities offered for exchanging ideas with other teachers.

A key to the symbols used in Part I for books and other resources is printed at the back of the guide.

General Introduction to Cambridge Pre-U Syllabuses and Diploma

Cambridge Pre-U is a qualification designed to:

- Inspire, challenge and reward students.
- Allow teachers to play to their strengths and share their passion for the subject.

Cambridge Pre-U aims to offer a coherent qualification framework with a clear focus on students' preparation for entry into Higher Education. It is underpinned by a clear set of educational aims:

- Encouraging the development of well-informed, open- and independent-minded individuals.
- Promoting deep understanding through subject specialisation, with a depth and rigour appropriate to progression to Higher Education.
- Helping learners to acquire skills of close critical reading, problem-solving, critical thinking, creativity, independent learning and effective communication.
- Recognising the wide range of individual talents and interests.
- Promoting an international outlook and cross-cultural awareness.

Cambridge Pre-U syllabuses are not modular. Their linear approach provides coherence and makes full use of teaching and study time, thus offering stretch and challenge to all. They offer schools the opportunity to reclaim a term currently lost in the UK to revision and examination. It is estimated that 15–20 percent of the total course time can be 'reclaimed' in this way.

In addition, by seeking to resist fragmentation, the syllabuses also aim to provide intellectual coherence and conceptual progression, promoting the identification and exploration of connections between aspects of a subject.

Cambridge Pre-U is not aimed solely at the very top of the ability range, but rather provides a platform for all students who aim to progress to Higher Education to develop and realise their potential. Cambridge Pre-U will stretch candidates of the highest ability, while ensuring that other candidates are assured of an intellectually stimulating and coherent course.

Linear courses are, of their very nature, more challenging because they:

- Allow more teaching and learning time, which itself provides room to go further or deeper in a subject.
- Allow a subject to be taught in a more integrated and coherent way.
- Break out of a 'retake culture'.

The experience of schools that require GCE students to take all modular exams at the end of two years is that the greater room for teaching more than offsets any apparent advantage gained through retaking modules.

Not all Centres will be aiming for the Diploma at the outset. However, two of its core elements – the Global Perspectives course and Independent Research Report (GPR) – are intended to be taught as successive one-year courses and can be pursued independently of the full Diploma. Global Perspectives demands a 1500-word essay and a 15-minute presentation as well as assessing critical analysis skills through a short examination. The Independent Research Report is a 4500–5000 word written report. Both of these Pre-U core elements will help to develop the research and presentation skills so useful for subject-based Personal Investigations in year two of the subject course. The Independent Research Report could focus upon an area of interest generated by one of the Principal subjects taken by the candidate. The two core components can be certified as Cambridge Pre-U Certificate in Global Perspectives and Independent Research. It can be a stand-alone certificate and when combined with three Cambridge Pre-U Principal subjects, it completes the requirement to be awarded the full Cambridge Pre-U Diploma.

PART ONE: CURRICULUM CONTENT

Unit 1: The Business Environment (65 – 75 guided learning hours)

Some aspects of this unit are fundamental to understanding business behaviour. Other aspects provide constraints which can be explained after business behaviour has been developed. So, for example, there are aspects of Marketing for which understanding of the legal structure of a business is an important consideration whereas understanding of government economic policies is important (and requires a degree of maturity to understand) but not crucial. It may, therefore, be appropriate to teach topics from this unit at various stages through the course rather than at the beginning.

1.1 Enterprise (guided hours: 2 – 4)

Topic	Learning outcomes	Suggested teaching and candidate activities	Resources (see key at end of this document)
Entrepreneurship and Business Start-ups	Risk v reward <ul style="list-style-type: none"> Identify the risks associated with business Identify the potential rewards to business owners Explain the risk v reward dilemma 	What makes a successful business? Simply pose this question to the students.	Books for 1.1: S 1 H 3 G 16
	Role of entrepreneurs <ul style="list-style-type: none"> Identify the role of an entrepreneur in business development <ul style="list-style-type: none"> ➤ Innovation ➤ Leading ➤ Creating wealth Assess the role of entrepreneurs 		CPFS 38 Young entrepreneurs – the future is safe BSR 13/1 Entrepreneurs BSR 12/4 Enterprise at its best T100 NFTE
	Practicalities of start-ups and government support <ul style="list-style-type: none"> Identify the key features of starting a business: <ul style="list-style-type: none"> ➤ Idea ➤ Finance ➤ Market ➤ People – customers, employees ➤ Objectives Explain government initiatives to help business start-ups Assess the usefulness of government initiatives Review other support for business start-ups Discuss the realities of setting up a new business 	A practical business start-up exercise along the lines of Young Enterprise	Bank Start-up Packs CPFS 22 Why do so many businesses go bust? BSR 12/1 Getting a new business off the ground BSR 12/1 Business start up – success or failure?

1.2 Business and the Economy (guided hours: up to and including The Business Cycle 8 – 12, for the remainder of the section 9 – 11)

This is a major section of the syllabus. The emphasis should be on the impact that markets, competition and the wider economy have on business rather than a study of economics. It is a topic area that can usefully be taught via current affairs, so that newspapers and television programmes can be central to the development of ideas. Government policies are continually changing (e.g. responses to the “credit crunch”) so students are expected to be familiar with recent and current developments in macro economic management.

Topic	Learning outcomes	Suggested teaching and candidate activities	Resources
<u>The Market and Competition</u>	Impact of competition <ul style="list-style-type: none"> • Understand the concept of competition in the business world • Discuss the impact of competition on businesses: <ul style="list-style-type: none"> ➤ Price and non-price competition ➤ Non-competitive behaviour • Show understanding of the need for regulation by the Office of Fair Trading and the Competition Commission • Define market: <ul style="list-style-type: none"> ➤ Buyers and sellers ➤ Demand and supply ➤ Medium of exchange ➤ Competition • Identify competitive forces in a given situation: <ul style="list-style-type: none"> ➤ Competitors (process, quality, customer service) ➤ Customers (needs and wants) ➤ Analyse the dynamic nature of markets • Understand imperfections in a competitive market: <ul style="list-style-type: none"> ➤ Predatory pricing ➤ Cartels ➤ Collusions ➤ Market sharing ➤ Price fixing 	Detailed grasp of market structures is not required Investigate various markets	Books: S 1 H 9, 93 G 105, 107
			BSR 12/1 The UK Cinema Market BSR 13/1 Tesco v Walmart BSR 12/2 International competition and UK manufacturers BSR 12/2 UK Family Spending WL series 4 lessons 1, 2, 18

	<p>Supply and demand</p> <ul style="list-style-type: none"> • Define supply and demand (see also 2.3) • Identify and analyse factors influencing demand in the short and long term: <ul style="list-style-type: none"> ➤ Price ➤ Disposable income ➤ Advertising ➤ Demographic changes ➤ Interest rates ➤ Tastes ➤ Price of substitutes and complements ➤ Availability of credit • Identify and analyse factors influencing supply in the short and long term: <ul style="list-style-type: none"> ➤ Number of businesses supplying product/service ➤ Technological change ➤ Subsidies and taxes ➤ Weather ➤ Management ➤ Specific business factors • Draw and explain the supply and demand diagram • Distinguish between movements along curves and shifts of the curves • Analyse equilibrium in a market using diagrams • Recognise the reasons for and consequences of excess supply and excess demand • Discuss ways in which businesses can respond to excess supply or demand 	Worksheets	Books: S 10 H 25, 93 G 106, 107 J 9 WL series 8 lesson 5
	<p>Competition</p> <ul style="list-style-type: none"> • Define competition • Discuss the impact of competition 		Books: S 12 H 94, 108 G 105

	<p>Globalisation</p> <ul style="list-style-type: none"> • Define international trade • Discuss the role and importance of international trade • Show understanding of the increasing integration of world markets for goods and services • Discuss the importance of further integration of world capital markets • Discuss the consequences of increased international trade: <ul style="list-style-type: none"> ➤ Competition ➤ Structural change within economies ➤ Integration of capital markets • Define and explain multinationals • Assess the increasing power/influence of multinationals • Explain the increasing integration of world markets for goods and services • Define and explain globalisation • Assess the impact on businesses of increased globalisation: <ul style="list-style-type: none"> ➤ Competition ➤ Scale of operations and costs (see economies of scale in Operations Management) ➤ Location decisions ➤ Mergers and joint ventures ➤ Currency movements • Discuss the pros and cons of increased globalisation 	Explore on the web.	<p>Books: S 2 H 109 G 117</p> <p>BSR 13/4 Globalisation – Threats and opportunities</p>
	<p>Developing markets</p> <ul style="list-style-type: none"> • Recognise the contribution to world trade from emerging markets such as southern Africa • Discuss the constraints that may make development of emerging markets difficult • Show a basic understanding of the Chinese and Indian economies and the implications of their growth for the UK • Show understanding of the EU as a single economy • Assess the effects of such markets on the UK including enlargement of labour markets 		<p>CPFS 41 China – what can it offer the west? BSR 13/1 Doing business in China BSR 13/2 Focus China v India BSR 13/3 The growth of Dubai BSR 12/1 China crisis? T100 Responding to an emerging market</p>

<p><u>The Business Cycle</u></p>	<ul style="list-style-type: none"> • Define and explain the business cycle: <ul style="list-style-type: none"> ➤ Boom ➤ Recession ➤ Slump ➤ Recovery ➤ Long-run trend • Explain the difference between the cycle and the business trend • Identify and explain possible causes of business cycles: <ul style="list-style-type: none"> ➤ External shocks ➤ Price spikes ➤ Inappropriate management of the economy • Analyse the implications for businesses of various stages in the business cycle including price sensitivity in a recession 		<p>Books: S 5 H 96, 101 G 108, 111</p>
<p><u>Government Macro-Economic Objectives</u></p>	<ul style="list-style-type: none"> • Show understanding that the state of the economy has an impact on business behaviour • Understand and explain the term macro economic objectives • Understand that governments pursue several (and conflicting) objectives in managing the economy: <ul style="list-style-type: none"> ➤ Inflation ➤ Growth ➤ Employment • Demonstrate understanding of current government targets for these objectives: <ul style="list-style-type: none"> ➤ CPI inflation target ➤ 2.5% growth target ➤ Low unemployment • Analyse and discuss the impact of these objectives on policies, the business environment, businesses 	<p>Investigations of news media, government statements</p>	<p>Books: S 5 H 97, 105, 106 G 108, 111 J 10</p> <p>BSR 13/1 Has Gordon Brown been good for business? BSR 12/3 World oil crisis? BSR 12/2 Should the government subsidise Airbus?</p>

<p>Taxation</p>	<ul style="list-style-type: none"> • Understand how taxation could be used to achieve government economic objectives • Define direct and indirect taxes • Explain the distinction between direct and indirect taxes • Identify, explain and analyse types of taxes: <ul style="list-style-type: none"> ➤ VAT ➤ Corporation tax ➤ Income tax ➤ Business rates ➤ National insurance • Discuss the impact on businesses of various taxes: <ul style="list-style-type: none"> ➤ Higher selling process ➤ Increased costs ➤ Falling demand • Discuss the impact on consumers of: <ul style="list-style-type: none"> ➤ Falling disposable incomes ➤ Changing purchasing patterns • Recognise that government taxes and spending are linked and that government spending can influence businesses 		<p>Books: S 5 H 97 G 108, 112 J 11</p> <p>CPFS 29 The impact of taxation on business T100 HM Revenue and Customs</p>
<p>Interest Rates</p>	<ul style="list-style-type: none"> • Show basic understanding of factors influencing interest rates • Show understanding of the role of the Monetary Policy Committee in setting interest rates and how this is influenced by government targets • Assess the impact of rising/falling interest rates on businesses <ul style="list-style-type: none"> ➤ Consumers' saving/spending ➤ Consumers' real incomes ➤ Exchange rates ➤ Borrowing/investment decisions ➤ Opportunity costs, e.g. for stocks ➤ Debtor/creditor behaviour 		<p>Books: S 5 H 97 G 108, 113 J 10</p> <p>CPFS Interest rate policy and business strategy BSR 12/1 Interest rates ONS website: www.statistics.gov.uk</p>

<p><u>Exchange Rates</u></p>	<ul style="list-style-type: none"> • Show basic understanding of the factors influencing exchange rates: <ul style="list-style-type: none"> ➤ Interest rates ➤ Government policies ➤ Balance of trade ➤ Performance of other economies • Assess the impact on businesses of a rising pound: <ul style="list-style-type: none"> ➤ Importers, businesses that rely on imported components ➤ Exporters • Evaluate a change in exchange rates on a business 		<p>Books: S 5 H 100 G 108, 113 J 10</p> <p>CPFS 04 The impact of Exchange Rates BSR 13/1 Focus: imports/exports BSR 12/3 Recent trends in the exchange rate BSR 12/4 Exchange rate volatility</p>
<p><u>Unemployment</u></p>	<ul style="list-style-type: none"> • Show basic understanding of the main types of unemployment including: <ul style="list-style-type: none"> ➤ Structural ➤ Cyclical • Understand the impact of high unemployment on businesses: <ul style="list-style-type: none"> ➤ Reduced demand for products or services ➤ Reduced pressure on increasing wages ➤ Recruitment issues 		<p>Books: S 5 H 99 G 108, 115 J 10</p>
<p><u>Inflation</u></p>	<ul style="list-style-type: none"> • Show understanding of the meaning of inflation • Show understanding of how inflation is measured through the CPI and RPI • Show basic understanding of how these indices are calculated • Show understanding of the main differences between these two indices • Show how inflation can have an impact on businesses: <ul style="list-style-type: none"> ➤ Cost pressures ➤ Reduced demand ➤ Difficulty with planning ➤ Un-competitiveness ➤ Wage-price spirals ➤ Rising interest rates • Show understanding of the meaning of deflation • Explain the impact of deflation on businesses e.g. as seen in Japan 		<p>Books: S 5 H 98 G 108, 116 J 10</p> <p>CPFS 11 Impact of inflation and interest rates</p>

1.3 Objectives (guided hours: 5 – 7)

The consideration of objectives is central to the subject and investment of time will pay dividends later on in the course. Candidates should be aware that objectives often conflict and that differing stakeholders (see later) may have different objectives. The ground work undertaken in this section will be invaluable throughout the course where objectives and strategies/tactics to meet objectives occur throughout.

Topic	Learning outcomes	Suggested teaching and candidate activities	Resources
Government Macro-Economic Objectives (see 1.2)			Books for 1.3: S 4 H 3, 4, 16 G 130 J 2
Types of Objective	<ul style="list-style-type: none"> • Understand the importance of objectives for successful business activity • Distinguish between specific objectives and aspirational objectives • Distinguish between types of objectives: <ul style="list-style-type: none"> ➤ Tactical (short term) ➤ Strategic (long term) ➤ Corporate ➤ Departmental/operational • Understand the importance of timescale in setting and achieving objectives • Understand that tactics arise from strategies • Discuss objectives such as: <ul style="list-style-type: none"> ➤ Maximise profit ➤ Maximise sales ➤ Increase market share ➤ Survival • Discuss why objectives might change over time 	<p>Objectives can be taught both theoretically and in a practical context. It may be worth setting up the ground rules first and then developing the practical applications.</p> <p>Time should be spent clarifying differences.</p> <p>SWOT and Ansoff can be developed in relationship with setting objectives and refined further when they arise in marketing (and other) strategies.</p>	T100 Kellog's T100 McCain T100 Tarmac WL series 4 lesson 8 CPFS 18 Business Objectives BSR 13/1 Objectives and Strategy

<u>Uses and Problems of Objectives</u>	<u>Uses and Problems</u> <ul style="list-style-type: none"> • Discuss the main uses of objectives: <ul style="list-style-type: none"> ➤ Goal setting ➤ Motivating ➤ Control ➤ Review • Discuss the extent to which objectives can be achievable • Discuss the extent to which objectives might conflict • Discuss the problems in setting objectives: <ul style="list-style-type: none"> ➤ Who? ➤ Should there be consultation? ➤ What is the process? 		T100 Kellogg's T100 Land Securities
	<u>SMART</u> <ul style="list-style-type: none"> • Understand the criteria for good objectives (SMART): <ul style="list-style-type: none"> ➤ Specific ➤ Measurable ➤ Achievable ➤ Realistic ➤ Time based • Identify ways in which objectives might help or hinder a business in a given situation 		T100 NDA

1.4 Stakeholders (guide hours 4 – 6)

This ties in closely with Objectives (1.3).

Candidates should be encouraged to see business situations from a variety of perspectives, and the consideration of stakeholders helps in this respect. The identification of stakeholders could usefully come before consideration of objectives.

Topic	Learning outcomes	Suggested teaching and candidate activities	Resources
<u>Stakeholders in a Business</u>	<ul style="list-style-type: none"> • Identify the key stakeholders in a business and what is their interest in the business: <ul style="list-style-type: none"> ➤ Owners/shareholders ➤ Customers ➤ Managers ➤ Creditors ➤ Employees ➤ Pressure groups <p>Teachers could add “the community” to the list of stakeholders for completeness.</p> <ul style="list-style-type: none"> • Identify the extent to which various stakeholders may have influence/control over business activities 	<p>Take a business situation and identify the stakeholders.</p> <p>Develop their interest in the business.</p> <p>Develop interests that conflict.</p> <p>Discuss scenarios and how they might impact on stakeholders.</p>	<p>Books for 1.4: S 4 H 3 G 18 J 13</p> <p>Bized: Stakeholder model BSR 12/3 Olympics –The effect on stakeholders</p>
<u>Stakeholder Objectives</u>	<ul style="list-style-type: none"> • Identify likely objectives of stakeholders in a given situation, e.g: <ul style="list-style-type: none"> ➤ Employees maximising wages ➤ Owners maximising profits ➤ Business showing corporate responsibility • Discuss the extent to which stakeholders objectives might conflict • Discuss the importance of resolving these conflicts 	See Objectives (1.3).	

1.5 Classification of Businesses (guide hours 9 – 11)

This is a fairly “dry” bit of the syllabus, but, nonetheless, important. A suitably designed assignment could well ameliorate the need for a lot of class work. Consideration of this section could come earlier as one of the foundations for understanding the subject.

Topic	Learning outcomes	Suggested teaching and candidate activities	Resources
Legal Structure	<ul style="list-style-type: none"> • Identify the main types of legal structure for a business in the private sector: <ul style="list-style-type: none"> ➤ Sole trader ➤ Partnership ➤ Private limited ➤ Public limited (PLC) ➤ Franchise ➤ (Cooperative) • Understand the key characteristics of the various legal structures including documents they require • Discuss why different forms of legal structure exist • Compare and contrast legal structures • Identify the main types of legal structure in the public sector • Discuss why there might be the need to change the legal structure of a business • Judge the suitability of a legal structure in a given situation 	<p>A survey of local businesses getting candidates to find out about ownership.</p> <p>Use case material for developing reasons for change of structure and implications.</p>	<p>Books:</p> <p>S 1 H 6 G 17 to 21 J 1</p> <p>WL series 10 lessons 7, 8 WL series 8 lesson 6 CPFSThe changing face of energy markets</p>
Sector	<ul style="list-style-type: none"> • Distinguish between the public and private sectors • Explain why some organisations are owned/run by the state and others are in the private sector • Discuss possible objectives for public sector organisations and how/why these might differ from the private sector • Recognise that objectives may be different between economic sectors (public/private) and for different organisations within a sector 		

<p>Size</p>	<ul style="list-style-type: none"> • Identify the main methods of measuring the size of a business: <ul style="list-style-type: none"> ➤ Turnover ➤ Profit ➤ Number of employees ➤ Assets • Discuss the appropriateness of differing methods • Discuss how size impacts on the behaviour of businesses • Discuss the importance of small businesses • Discuss why the government encourages and supports small businesses • Discuss why small businesses may survive • Understand why businesses may seek to grow: <ul style="list-style-type: none"> ➤ Reduced costs (economies of scale) see 4.2 ➤ Market power ➤ Prevention of being taken over ➤ Survival • Identify the ways in which a business can grow: <ul style="list-style-type: none"> ➤ Organically ➤ Mergers, acquisitions, takeovers • Discuss the advantages and disadvantages of a business growing 	<p>Get candidates to investigate the size of a named list of businesses using a variety of ways of measuring size.</p>	<p>Books: S 3 H 81 G 22</p> <p>National statistics WL series 10 lessons 5 and 6</p> <p>BSR 13/4 Ovation Systems</p> <p>BSR 13/1 Takeovers –The Body Shop</p>
<p>Economic Sectors</p>	<ul style="list-style-type: none"> • Define the economic sectors: <ul style="list-style-type: none"> ➤ Primary ➤ Secondary ➤ Tertiary • Recognise the problems associated with classifying a business into an economic sector • Recognise the importance of the emergence of the service/knowledge economy • Give examples of businesses in each sector • Identify the trends within the sectors and reasons for these trends as well as the implications 		<p>Books: S 1 H 1</p>

1.6 Business Opportunities and Constraints (guided hours: 4 – 6)

Opportunities and constraints created by the government have already been covered in 1.2.

Many of the topics in this section will occur throughout the course. So, for example, legal constraints will reappear in Marketing (Sale of Goods, Advertising, etc.) and Human Resource Management (Health and Safety, Employment Law) so it may be appropriate to develop as and when necessary rather than as a separate topic at this stage.

Topic	Learning outcomes	Suggested teaching and candidate activities	Resources
Social	<p><i>The following in italics are not in the syllabus but may provide a useful introduction:</i></p> <ul style="list-style-type: none"> • <i>(Recognise that social developments will have an impact on business behaviour)</i> • <i>(Identify important current social developments)</i> • <i>(Analyse how changes in society's values can have an impact on business decisions/behaviour)</i> • Understand why demographic changes might have an impact on business behaviour • Describe the trends in demographic change in the UK: <ul style="list-style-type: none"> ➤ Falling birth rates ➤ Aging population • Discuss how such changes have and will influence business decisions, e.g. the growth of Saga 	<p>Investigate demographic changes</p> <p>Investigate how businesses have responded to demographic change</p>	<p>Books: S 6 H 102 G 25, 120 to 123 J 7</p> <p>T100 Aegon BSR 12/4 Corporate social responsibility BSR 13/3 Business etiquette and cultural awareness</p>
Legal	<ul style="list-style-type: none"> • Show basic knowledge of key legislation governing businesses: <ul style="list-style-type: none"> ➤ Data Protection Act ➤ Disability Discrimination ➤ Employment Equality (including age) ➤ (other legislation appears in Marketing and Human Resources) • Discuss how such legislation might impact on business behaviour: <ul style="list-style-type: none"> ➤ Increased short run costs ➤ Decreased long run costs ➤ Wages via the minimum wage ➤ People management 		<p>Books: S 6 H 85 G 25,120,124 J 6, 7</p>

<p>Technological</p>	<ul style="list-style-type: none"> • Explain technological developments: <ul style="list-style-type: none"> ➤ EPOS ➤ CAM ➤ CAD ➤ Robotics ➤ Automation ➤ E-commerce ➤ Internet, including price comparison sites • Discuss the uses of such technologies in business: <ul style="list-style-type: none"> ➤ Products ➤ Materials ➤ Processes ➤ Systems ➤ Marketing • Discuss the benefits and threats of such technologies: <ul style="list-style-type: none"> ➤ Production ➤ Marketing ➤ Consumer behaviour ➤ Employees 	<p>Visits could be useful</p>	<p>Books: S 6 H 85 G 25, 120, 124 J 6, 7</p> <p>Bized</p>
<p>Environmental</p>	<ul style="list-style-type: none"> • Define and give examples of external costs such as congestion and pollution • Explain the difference between external costs and accounting costs • Identify forces for addressing environmental issues and other external costs: <ul style="list-style-type: none"> ➤ Government ➤ Consumers ➤ Pressure groups • Discuss the impact of changes in consumer preferences relating to green issues • Discuss ways in which businesses can respond to this change in consumer demands • Discuss the role of businesses in meeting external costs • Discuss why businesses might respond to the environmental forces • Discuss how businesses are responding to environmental issues giving examples • Explain the role of environmental audits • Explain strategies for reducing emissions • Discuss developments such as environmental policies and audits, the green pound, carbon trading 	<p>Visiting speakers, e.g. from BP etc.</p>	<p>Books: S 6 H 112 G 25, 120 J 7, 13</p> <p>CPFS 39 Nuclear energy – the way forward? T100 Anglo American T100 Corus</p>

<p><u>Business Ethics</u></p>	<ul style="list-style-type: none"> • Explain the meaning of ethics • Give examples of ethical issues • Explain why ethical issues have an impact on business behaviour • Discuss the potential conflict between ethics and other business objectives/stakeholders • Discuss examples of unethical behaviour by individuals and businesses • Discuss why businesses might want to behave more ethically • Discuss how changes in morals/ethics can impact on business decisions • Discuss the costs and benefits of the Ethical Trade Initiative • Investigate some response to ethical issues such as: <ul style="list-style-type: none"> ➤ Fair Trade ➤ Ethical investments ➤ Ethical codes 	<p>Explore mission statements to identify ethical approaches</p>	<p>Books: S 6 H 102, 110, 111 G 25 J 13</p> <p>CPFS 09 Ethics – a practical approach to business CPFS 44 Community responsibility – how far should a business go? BSR 12/3 Misjudgements and shock tactics T100 Vodafone T100 Amway www.smile.co.uk</p>
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1.7 Planning (guide hours 2 – 4)

Plans and strategies are a theme throughout this course. This section should set the background against which practical plans and strategies will be developed later on.

Topic	Learning outcomes	Suggested teaching and candidate activities	Resources
Planning	<p>Strategic planning</p> <ul style="list-style-type: none"> • Define strategic plan • Identify and explain different needs for planning: <ul style="list-style-type: none"> ➢ Anticipated/unanticipated ➢ Incremental catastrophic ➢ Controllable/uncontrollable • Identify the elements of a strategic plan • Discuss how strategic plans can be implemented: <ul style="list-style-type: none"> ➢ Mission statements ➢ Corporate plans • Discuss the strengths and limitations of strategic plans 		<p>Books for 1.7:</p> <p>H 16</p> <p>G 16</p> <p>J 2</p> <p>CPFS 32 Business plans – how to beat the Dragon’s Den</p> <p>CPFS 33 The importance of financial stability to a business</p> <p>BSR 12/2 The Titanic effect</p> <p>BSR 12/4 Strategic thinking in marketing</p> <p>T100 Aegon</p> <p>T100 McCain</p> <p>T100 Network Rail</p>
	<p>Contingency planning</p> <ul style="list-style-type: none"> • Define contingency plans • Give examples of when and why contingency plans might be necessary • Discuss the strengths and limitations of contingency plans • Discuss how contingency plans can help prepare for shocks such as: <ul style="list-style-type: none"> ➢ Severe recession ➢ Global flu epidemic 	Develop a contingency plan for the school/college	BSR 12/4 Contingency planning T100 Land Securities
	<p>Porter’s Five Forces model</p> <ul style="list-style-type: none"> • Describe Porter’s Five Forces model <ul style="list-style-type: none"> ➢ Buyer power ➢ Supplier power ➢ Entry threat ➢ Substitute threat ➢ Rivalry • Analyse the uses and limitations of Porter’s model 		<p>Books:</p> <p>H 94</p> <p>J 48</p> <p>BSR 12/2 Five forces analysis</p>

1.8 Corporate Issues (guided hours: 2 – 4)

This is a fairly new area for study at this level. Useful areas for study will come from recent developments in the business world, drawing from the behaviour of businesses such as Enron and the behaviour of banks in the recent credit crunch. Candidates will be expected to apply lessons learned to a variety of business situations.

Topic	Learning outcomes	Suggested teaching and candidate activities	Resources
<p><u>Culture, Values, Attitudes, Beliefs</u></p>	<ul style="list-style-type: none"> • Understand the meaning of culture in a corporate context • Understand how culture can influence business behaviour: <ul style="list-style-type: none"> ➤ Decision making ➤ Management style • Discuss the importance of corporate culture in relation to employee motivation and consumer perceptions • Understand the issues involved in changing corporate culture • Discuss ways in which corporate culture could be changed: <ul style="list-style-type: none"> ➤ Time ➤ Commitment ➤ Consultation 		<p>Books: S 6 H 5 J 47</p> <p>BSR 12/4 The UK cigarette industry BSR 13/4 Hojskede's cultural dimensions</p>
<p><u>Corporate Governance</u></p>	<ul style="list-style-type: none"> • Define corporate governance • Explain the role of stakeholders in corporate governance <ul style="list-style-type: none"> ➤ Shareholders ➤ Investors ➤ Directors ➤ Managers • Discuss the importance of initiatives such as The Cadbury Code of Best Practice, The Cadbury Committee 		<p>Book: J 1</p> <p>T100 Amway</p>

1.9 Equities (guided hours: 2 – 4)

This section may be worth considering in conjunction with Sources of Finance (3.3).

Topic	Learning outcomes	Suggested teaching and candidate activities	Resources
<u>Equities – The Stock Market</u>	<ul style="list-style-type: none"> • Describe the functions of the stock market • Appreciate the different types of listings on the stock market • Discuss the benefits and problems arising from being a listed company • Explain factors that influence a share price: <ul style="list-style-type: none"> ➢ Investor sentiment ➢ Company accounts ➢ Prospects ➢ Valuations ➢ External events • Explain how share prices have an influence on business behaviour: <ul style="list-style-type: none"> ➢ Bonuses ➢ Likelihood of a takeover ➢ Ability to raise finance • Understand the role of private equity companies • Analyse the growth of private equity leveraged buyouts and their impact on business behaviour 	<p>“Shadow” stock market investment games may be a useful way of delivering parts of this unit.</p>	<p>Books: S 25 H 6, 310 G 20 J 29</p>

Contingency, Tests, Consolidation, Skills Development (guided hours: 15)

Topic	Learning outcomes	Suggested teaching and candidate activities	Resources
<u>Contingency, Tests, Consolidation, Skills Development</u>	In addition there are 20 hours for the whole course available for synoptic skills development and 20 hours for project preparation which can be reallocated if appropriate		

Unit 2: Marketing (65 – 75 guided learning hours)

Central to the understanding of marketing is the role and influence of the customer, the importance of market research and the need for an integrated marketing mix as a tool to achieve marketing objectives.

The aim of this section of the syllabus is to lay the foundations of marketing within the overall context of business. Developing the relationship between marketing and other business functions is important. For example, it is important to appreciate that marketing is usually undertaken within a tight budget and that the size of the business will heavily influence the marketing options. Marketing should also be seen as one strand of business decisions which are likely to also have an impact on other functional areas such as finance and human resource management. Candidates must be able to construct suitable overall marketing strategies for the 4Ps (Price, Product, Place, Promotion) or construct individual strategies based on one of the 4Ps. Marketing should link in with constraints, e.g. finance

2.1 Marketing and Objectives (guided hours: 10 – 12)

Topic	Learning outcomes	Suggested teaching and candidate activities	Resources (see key at end of this document)
<u>Introduction</u>	<ul style="list-style-type: none"> • Define marketing • Define market • Explain importance of marketing in relation to meeting needs of customers • Understand marketing in relation to the objectives of a business • Discuss ways in which marketing objectives may differ from those of other areas of a business 	Use a case resource to develop basic ideas through discussion.	Books: S 7 H 11
<u>Definitions and Objectives</u>	<ul style="list-style-type: none"> • Discuss various marketing objectives • Recommend marketing objectives in a given situation • Develop criteria for measuring the success in meeting objectives • Review suitable marketing objectives for a business 	Can be usefully tied in with Objectives (1.3). Develop objectives in a practical situation.	T100 Experian BizedThe role of marketing staff WL series 4 lesson 12
<u>Customer Relationship Management</u>	<ul style="list-style-type: none"> • Understand the importance of customer relations in marketing • Explain how businesses may use customer relations as part of a marketing strategy • Identify methods of using customer relations in marketing, e.g. loyalty cards, personalised marketing, customer databases 	May be useful to get a customer care adviser in.	BSR 13/3The added value of breakfast T100 Enterprise RentACar

<u>Market v Product Orientation</u>	<ul style="list-style-type: none"> • Explain the difference between customer and product orientation • Justify the appropriate approach in a given situation 	There are some excellent examples of where markets have been ignored, discussed in most of the textbooks.	Books: S 7 H 18 G 26
<u>Market Segmentation</u>	<ul style="list-style-type: none"> • Explain the meaning of segmentation • Analyse why segmentation might be useful and possible problems • Analyse the ways in which markets might be segmented • Discuss the importance and role of segmentation in marketing • Discuss appropriate ways to segment a market • Comment on market segments (e.g. size) • Evaluate the use of segmentation in a variety of situations • Identify problems arising from segmenting a market 	Best taught through use of real life examples, exploring how markets are being segmented and how this is to be achieved.	Books: S 7 H 20 G 35 J 17 Bized Mind your Business T100 Segmentation
<u>Growth/Share</u>	<ul style="list-style-type: none"> • Distinguish between market size and market share • Explain and define market share and market growth • Explain the role and importance of market share and market growth • Understand why there is a relationship between growth and share • Calculate growth and share in a given situation • Interpret the results of such calculations • Discuss the problems associated with measuring/ interpreting share/growth • Understand how market share might be increased 	The launch of Lexus may be a useful way of developing this topic.	Books: S 7 H 14, 21 G 27 BSR Feb 2002 Beware, market share BSR 13/3 The launch of Lexus Bized Competition and market share
<u>Niche v Mass Marketing</u>	<ul style="list-style-type: none"> • Explain the differences between niche and mass marketing • Discuss benefits and disadvantages • Suggest examples of each and discuss their merits 	BSR provides a useful approach. May explore other markets.	Books: S 7 H 22 G 26 CPFS 08 Comparing niche and mass markets BSR 13/2 Making the most of a niche

<p><u>Market Positioning, USP</u></p>	<ul style="list-style-type: none"> • Explain how businesses position products/services in various markets • Identify the reasons for market positioning and repositioning • Discuss examples of where product positioning has been effective • Define USP • Give examples of USPs • Assess the importance of USP and product differentiation in market positioning • Discuss the usefulness of the concept 	<p>Develop USPs from a given set of products.</p>	<p>Books: S 9 H 32 H 22 J 2</p> <p>CPFS Healthy eating trends – McDonald’s response’</p>
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2.2 Market Research (guided hours: 9 – 11)

This particular topic has great importance as it is likely to provide skills that will be invaluable for candidates when they come to do work on their project.

Market research is best taught through practical activities of candidates carrying out their own research. Most candidates will have a good rudimentary understanding of what is involved in market research from their earlier studies in GCSE, however, the type of research that is likely to have been undertaken will be rudimentary compared with the requirements of business. The aim, therefore will be to build on previous experience to introduce a much greater sense of purpose (problem solving) and far greater precision in research methodology. Skills should also be developed so that the research undertaken ceases to be mechanical and allows candidates to evaluate any results that they obtain through critical thinking and hypothesis testing.

It is important for candidates to understand that market research is much more than just questionnaires and that it is only one tool in assessing a market. Market research will not supply all of the marketing answers.

There is a danger that it is taught in isolation, however, it should be part of business and marketing strategy.

Candidates should be encouraged to identify market research needs for a given business situation. They should consider the time involved and possible costs. Ideas for secondary sources could be identified for the candidates. Once these have been exhausted, primary research can be adopted.

Topic	Learning outcomes	Suggested teaching and candidate activities	Resources
Types of Research	<p>Introduction to market research</p> <ul style="list-style-type: none"> • Understand the nature and purpose and role of market research • Identify reasons for market research • Investigate research strategies 	<p>An introduction to the topic can usefully be achieved using www.bized.co.uk Market Research PowerPoint</p>	<p>Books: S 8 H 10,19,35,36 G 32 to 35 J 15</p> <p>CPFS 22 Market research – is it worthwhile? BSR 13/4 Focus: vehicle markets T100 Biersdorf T100 Nestle T100 Nivea T100 Porta Kabin WL series 4 lesson 18 WL series 8 lesson 12</p>

	<p>Primary v secondary</p> <ul style="list-style-type: none"> • Define primary (field) and secondary (desk) research • Discuss advantages and disadvantages of the two approaches • Discuss criteria for selection of market research methods • Demonstrate an understanding of different source of information • Evaluate the usefulness and appropriateness of different market research methods in differing situations 	Mainly through practical market research exercises and case studies	<p>Web sites of businesses, government organisations, market research organisations such as www.mori.com</p> <p>WL series 5 lesson 6</p>
Sampling	<p>Sampling methods</p> <ul style="list-style-type: none"> • Describe the different methods of sampling from a population: <ul style="list-style-type: none"> ➤ Convenience ➤ Quota ➤ Stratified ➤ Cluster ➤ Random ➤ Multi-stage • Assess methods in a given situation • Recommend a sampling method in a given situation • Analyse the reasons for sampling • Recognise the potential problems and limitations of sampling such as human bias 	Discussion designed to show candidates that the purpose of sampling is to contain costs while increasing the chance of useful market research results.	<p>Books: H 19 J 15 M 24</p> <p>CPFS 10 Market research - sampling</p>
	<p>Testing</p> <ul style="list-style-type: none"> • Demonstrate an understanding of the role of probability in sampling • Define and interpret the normal distribution • Show understanding of how the normal distribution, standard deviation and sampling error are used to interpret results of research and can be used to increase the accuracy and validity • Explain why research can lead to misleading results • Review the uses of the normal distribution in testing sample data including assessing its limitations • Discuss the merits of using the normal distribution in relation to business decisions 	<p>Non-mathematicians may find this challenging. Worth spending some time developing probability ideas, e.g. tossing coins.</p> <p>Make as practical as possible.</p>	<p>Books: H 13, 36 J 5</p>

<p>Forecasting</p>	<ul style="list-style-type: none"> • Show understanding of quantitative (time series analysis) and qualitative (e.g. Delphi) methods of forecasting • Analyse qualitative techniques such as: <ul style="list-style-type: none"> ➤ The Delphi method ➤ Historical analogy ➤ Market surveys ➤ Personal insight ➤ Panel consensus • Explain why time series analysis can be useful in a business context • Understand how moving averages can be used to forecast marketing (and other) data • Chose a moving average period in a given situation • Calculate moving averages, seasonal/cyclical variations (3, 4, 12 period) including the need to centre • Plot data including line of best fit • Interpret such calculation to produce a forecast • Discuss the relative merits of forecasting methods in a business context including limitations of time series analysis 	<p>No alternative but to develop ideas through <i>didactic</i> teaching, although useful to discuss role of forecasting and situations in which it is useful.</p>	<p>Books: S 8 H 37 G 140 J 16</p> <p>CPFS 15 Time series analysis and extrapolation</p>
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2.3 Elasticity (guided hours: 4 – 6)

It may be useful to include this section when dealing with price in The Marketing Mix (2.4) or within Unit 1 when factors influencing demand are developed.

It is important to realise that elasticity is only a tool and in many practical influences there are either (a) difficulties measuring it or (b) too many other variables changing to isolate a value.

Emphasis should be put on possible uses such as for pricing decisions. It is also important to be clear on limitations.

Topic	Learning outcomes	Suggested teaching and candidate activities	Resources
<u>Price Elasticity of Demand (PED)</u>	<ul style="list-style-type: none"> • Understand the main determinants of demand – and how these can influence demand changes • Show diagrammatically the relationship between price and supply/demand • Define price elasticity of demand • Calculate the price elasticity of demand • Understand the business significance of the result • Interpret/analyse the results • Use PED for pricing and other decisions • Recognise the usefulness and limitations of price elasticity in practical situations and discuss its importance for business decisions 	<p>See also Unit 1.</p> <p>Demonstrate the formula and use examples to apply – preferably in a decision context.</p>	<p>Books: S 10 H 18, 25 G 45, 46 J 9</p> <p>CPFS 12 PED made simple BSR 12/1 PED of bus travel BSR Nov 2000 Elasticity of demand</p>
<u>Income Elasticity of Demand</u>	<ul style="list-style-type: none"> • Define income elasticity of demand • Calculate the income elasticity of demand • Interpret/analyse results in a given situation • Recognise the usefulness and limitations of income elasticity in practical situations and discuss its importance for business decisions 	<p>Demonstrate the formula and use examples to apply – preferably in a decision context.</p>	<p>Books: S 5 H 25</p>
<u>Advertising Elasticity of Demand</u>	<ul style="list-style-type: none"> • Define advertising elasticity of demand • Calculate the advertising elasticity of demand • Interpret/analyse results in a given situation • Recognise the usefulness and limitations of advertising elasticity in practical situations and discuss its importance for business decisions 	<p>Demonstrate the formula and use examples to apply – preferably in a decision context.</p>	<p>Books: S 11 H 25</p>

2.4 The Marketing Mix (guided hours: for Introduction and Price 4 – 6, for other sections see below)

Clearly the key area of marketing, best taught largely through development of the application of ideas in practical situations.

It is important to emphasise the integrated nature of the mix and to develop ideas alongside constraints that may apply to businesses – advertising on TV is suitable for only a few businesses, destroyer pricing is not suitable for the corner shop!

Case studies, TV programmes and studies of individual businesses can all play an important role in developing this topic.

Topic	Learning outcomes	Suggested teaching and candidate activities	Resources
Introduction	<ul style="list-style-type: none"> • Define the marketing mix • Recognise aspects of the mix in practical situations 	Explore a product and its marketing.	
Price	<ul style="list-style-type: none"> • Understand the importance of price in the mix • Link this understanding with the concept of elasticity and demand curves • Link this understanding with the concept of marketing objectives • Understand that prices can be based on: <ul style="list-style-type: none"> ➤ Costs ➤ Competition ➤ Markets in different situations • Analyse (including calculating) and discuss pricing strategies in different situations: <ul style="list-style-type: none"> ➤ Based on cost, customers and competition ➤ Cost-based such as contribution, mark up, absorption, target ➤ Market-based such as penetration, skimming, loss leaders, price discrimination, discounts and sales, psychological ➤ Competition-based such as going rate, destroyer • Discuss how pricing strategies might change over time • Discuss pricing issues when dealing with special orders using contribution 	<p>Link in with supply/demand, elasticity.</p> <p>Price comparison exercises.</p> <p>Explore whether price bears a relationship with cost in various situations.</p> <p>Investigate price charged for well known product/service (e.g. supermarkets, travel agents, estate agents).</p> <p>Develop ideas for pricing a completely new product/service.</p>	<p>Books: S 10, 11, 21 H 26, 40 G 39 J 9, 20, 32</p> <p>WL “Tickets going for a song” Bized Pricing Strategy, PowerPoint</p>

<p>Place (guided hours: 2 – 4)</p>	<ul style="list-style-type: none"> • Understand the importance of place (distribution) to the marketing mix • Appreciate the difference between ‘place’ and ‘location’ in a business context • Identify and explain different channels of distribution: <ul style="list-style-type: none"> ➢ Wholesalers ➢ Intermediaries ➢ Agents ➢ E-commerce • Evaluate appropriate channels of distribution in a given situation 	<p>Explore distribution channels for a number of products or services.</p> <p>Develop alongside the rise of e-commerce.</p> <p>(Often confused with location.)</p>	<p>Books: S 11 H 30 G 42 J 21</p> <p>BSR 13/3 The long tail BSR Sept 2001 Place, the silent P T100 Amway</p>
<p>Product (guided hours: 4 – 6)</p>	<ul style="list-style-type: none"> • Understand the importance of product in the marketing mix • Explain the concepts of product portfolio/product mix, product development, product differentiation • Demonstrate understanding of the stages in the product life cycle • Analyse the product life cycle in a given situation • Discuss methods to extend the life cycle of a product such as new markets for existing products • Analyse how the mix might change at various stages in the life cycle • Use the Boston Matrix to analyse the current position of products within a firm’s portfolio • Evaluate the usefulness of the Boston Matrix • Understand the role of research and development in product development • Evaluate the likely impact of research and development expenditure on a product • Use product portfolio analysis in a given situation • Discuss the use of product differentiation in a given situation 	<p>Discuss what is meant by ‘product’.</p> <p>Use artefacts to develop ideas in the classroom.</p> <p>Important that ideas relating to services are developed as well as tangible products.</p> <p>Develop product life cycle alongside ideas of cash flow. Explore practical changes of marketing over a product life cycle.</p> <p>Develop Boston in a decision context.</p> <p>Develop differentiation through group work in an actual market e.g. the car market.</p>	<p>Books: S 9 H 24 G 36, 37, 38 J 14, 18</p> <p>CPFS 35 The product life cycle – the regeneration of a traditional topic</p> <p>BSR 12/1 The Mini’s adventure</p> <p>BSR 12/4 What is a product? BSR 13/3 The rise of Airbus T100 Kellogg’s BSR 12/3 R&D T100 3G T100 Kit Kat BSR 12/3 The UK footwear market</p>

<p>Promotion (guided hours: 4 – 6)</p>	<ul style="list-style-type: none"> • Understand the importance of promotion in the marketing mix • Define and explain the difference between above and below the line promotion • Recognise potential constraints on advertising including costs and regulation (such as ASA) • Discuss examples of different types of promotion • Analyse the usefulness of AIDA in choosing promotional strategies • Analyse the relative merits of DAGMAR in developing a strategy • Analyse and discuss methods of promotion • Select and justify the choice of appropriate methods in a given situation • Discuss the usefulness of advertising elasticity in the creation of a promotional strategy 	<p>Lots of classroom activities. It's important to develop with a degree of realism through consideration of promotional budgets.</p> <p>Get candidates to bring in promotional materials.</p> <p>Develop a promotion campaign (school based?) within a budget.</p>	<p>Books: S 11 H 27, 28, 29 G 43, 44</p> <p>WL series 10 lesson 8</p>
<p>The Integrated Mix (guided hours: 4 – 6)</p>	<ul style="list-style-type: none"> • Understand the importance of the mix being based on objectives • Explain why elements of the mix should be consistent with each other • Assess possible methods of blending the mix to create an overall marketing strategy • Discuss the importance of the mix to be integrated with all aspects of a business 	<p>Ties together previous sections through practical work such as case studies. OCR marketing case studies will be very useful.</p>	<p>BSR 13/2 Innocent drinks BSR 13/4 M&S The road to recovery T100 Experian WL series 3 lesson 4 WL series 4 lesson 12 Bized PowerPoint – market analysis</p>

2.5 The Marketing Plan (guided hours: 4 – 6)

It is important that marketing is seen in the context of overall strategic planning for businesses. Techniques such as SWOT and Marketing Audits should be seen as tools for developing strategies rather than simply useful analysis of a situation. This section links in strongly with Objectives.

Topic	Learning outcomes	Suggested teaching and candidate activities	Resources
Marketing Planning	<ul style="list-style-type: none"> • Understand the purpose of market planning • Discuss methods of market planning: <ul style="list-style-type: none"> ➢ SWOT ➢ Marketing audits • Discuss the role of marketing objectives in producing a plan • Discuss the role of a marketing budget in producing a plan • Understand the stages in a marketing plan (marketing audit, objectives, strategy, review) • Analyse the use of SWOT in developing a marketing plan • Discuss the significance of a marketing plan in a given situation • Develop a marketing plan in a given situation 	Carry out a SWOT analysis of the students' college. Develop the outcome into objectives.	Books: S 4, 12 H 5, 16, 31 G 2, 23, 137 J 2

2.6 Marketing Law (guided hours: 2 – 4)

The aim of this section is to see law as a constraint/enabler in relation to business behaviour. So the emphasis is on the impact of such laws on businesses rather than a study of the laws themselves.

Topic	Learning outcomes	Suggested teaching and candidate activities	Resources
Marketing Law (see also 1.6)	<ul style="list-style-type: none"> • Demonstrate an understanding of the legislation that has an impact on marketing activities • Explain and assess how marketing law, such as Sale of Goods Act and Trade Descriptions Act impacts on a business in a given situation 	<p>Could also be tied in with legal constraints and ethics (1.6).</p> <p>Plenty of opportunity to discuss real issues – marketing to children, cigarettes, alcohol, gambling, etc.</p>	Books: S 6 H 103 J 8 BSR 13/3 Marketing to children

2.7 International Marketing (guided hours: 2 – 4)

This section links in with globalisation and developing markets. Practical studies of how different businesses have adopted differing approaches to international marketing should prove very useful.

Topic	Learning outcomes	Suggested teaching and candidate activities	Resources
<u>International Marketing</u>	<ul style="list-style-type: none"> • Demonstrate an understanding of the additional features involved in marketing to an international market • Analyse why overseas markets might be different • Discuss the benefits and disadvantages of marketing on an international scale • Discuss methods of entering overseas markets such as joint ventures, agents, overseas subsidiaries • Develop a marketing strategy to develop an international market in a given situation • Analyse the usefulness of pan-world strategies • Analyse the usefulness of separate strategies for each market 	<p>Best taught in conjunction with Globalisation.</p> <p>Plenty of examples of comparisons.</p> <p>Link with an overseas school?</p> <p>International magazines, newspapers.</p>	<p>Books: S 7 H 34 G 27 J 22</p> <p>CPFS 36 Is global marketing the best approach for all companies? BSR 12/3 Finland, top of the world? T100 Maintaining the competitiveness of a global brand WL series 14 lesson 12</p>

2.8 Marketing Strategy (guided hours: 2 – 4)

This section brings together all of the components studied earlier and is best delivered to summarise and reinforce marketing issues. It should be seen in relation to the constraints/enablers from other aspects of business such as finance, people, production and the external environment.

Topic	Learning outcomes	Suggested teaching and candidate activities	Resources
Marketing Strategy	<ul style="list-style-type: none"> • Demonstrate an understanding of marketing strategies • Demonstrate an understanding that consumer wishes should be at the core of decision making and that businesses should carefully monitor consumer trends • Show understanding that strategies are influenced by available finance, the nature of the market, the state of the economy • Use techniques such as the Boston Matrix, SWOT and product life cycles (PLCs) to develop marketing objectives and hence marketing strategies • Demonstrate that strategies evolve and change over time <p>Offensive marketing</p> <ul style="list-style-type: none"> • Analyse the usefulness of offensive marketing strategies in a given situation <p>Ansoff's Matrix</p> <ul style="list-style-type: none"> • Assess the usefulness of Ansoff's matrix in deciding on market strategies <p>Marketing myopia</p> <ul style="list-style-type: none"> • Recognise the dangers of marketing myopia 	<p>Integration of previous ideas through case studies, class discussion, practical problem solving.</p> <p>Best taught in a decision making context.</p> <p>May be best to teach decision tools (SWOT, Ansoff) first (PLC and Boston already dealt with in Product – 2.4).</p> <p>Time dimension is a very important consideration, as is the integrated nature of the mix.</p>	<p>Books: S 4 H 32, 33 G 29 J 48</p> <p>BSR 13/1 Marketing plans BSR 12/2 Sunseekers BSR 13/1 Supermarket psychology</p> <p>CPFS 20 SWOT analysis – an introduction BSR 12/4 Using SWOT analysis</p> <p>BSR 13/2 Black's Leisure Group BSR 13/2 Marketing models and the mobile phone BSR 13/2 Cadbury's competitive challenge</p> <p>BSR 12/1 Cobra Beer (Ansoff)</p>

2.9 Value (guided hours: 1 – 3)

Topic	Learning outcomes	Suggested teaching and candidate activities	Resources
<u>Value</u>	<ul style="list-style-type: none"> Define value analysis Assess the balance of value, perception and cost in a given situation 	Carry out a value analysis on an artefact.	Books: S 4 H 87 G 40, 95 J 18

Contingency, Tests, Consolidation, Skills Development (guided hours: 15)

Topic	Learning outcomes	Suggested teaching and candidate activities	Resources
<u>Contingency,</u> <u>Tests,</u> <u>Consolidation,</u> <u>Skills</u> <u>Development</u>	In addition there are 20 hours for the whole course available for synoptic skills development and 20 hours for project preparation which can be reallocated if appropriate.		

Unit 3: Accounts and Finance (60 – 70 guided learning hours)

This unit introduces candidates to the importance of the management of finance, the keeping of and analysis of accounts and the assessment of businesses' financial performance. Finance and accounting should be seen in the context of business owners/managers/investors making decisions rather than from the perspective of the accountant. So, for example, it is the use of accounting information to decision makers that is stressed, not the actual construction of accounting statements.

The concept of costs and profits arise in many areas of the subject (pricing decisions, location and production decisions, etc.) and there may be a case for considering this section sooner rather than later.

3.1 Costs Revenues and Profit (guided hours: 4 – 6)

Topic	Learning outcomes	Suggested teaching and candidate activities	Resources (see key at end of this document)
Costs	<ul style="list-style-type: none"> • Understand the needs for cost data • Understand the concept of cost centre • Define and give examples of : <ul style="list-style-type: none"> ➢ Variable cost ➢ Fixed cost ➢ Direct cost ➢ Indirect cost/overheads ➢ Average cost ➢ Total cost ➢ Marginal cost ➢ Contribution • Use cost data in various calculations, e.g: <ul style="list-style-type: none"> ➢ Total cost ➢ Break even (see 3.6) ➢ Cost plus ➢ Contribution • Interpret costs in a business context • Use cost information for aiding business decisions • Understand that there are different ways of allocating fixed costs 	<p>Discussion of the costs of running a car.</p> <p>Link in to business decisions involving costs.</p> <p>Opportunity cost is not specifically on the syllabus but the concept is fundamental to solutions to the problems of choice.</p>	<p>Books: S 21 H 38 G 63, 64 J 32</p> <p>BSR 13/1 Chasing shadows – opportunity cost www.tutor2u.net presentation on costs/costings</p>
Revenue	<ul style="list-style-type: none"> • Define revenue • Calculate revenue from given data • Interpret revenue data in a business context 		

Contribution and Profit	Contribution and profit	Undertake contribution decisions	BSR 12/1 The bottom line
	<ul style="list-style-type: none"> • Define profit • Define contribution • Calculate and interpret profit and contribution data • Explain the difference between contribution and profit 		
	Cost and profit centres	Set up cost centres for an organisation e.g. college	Book: S 21 CPFS 24 Costs and cost centres
	<ul style="list-style-type: none"> • Define cost and profit centres • Understand their purpose and use in business organisations • Analyse and discuss the purpose of cost and profit centres • Evaluate their usefulness 		

3.2 Budgets (guided hours: 4 – 6)

Budgets should be developed as a financial management tool.

Topic	Learning outcomes	Suggested teaching and candidate activities	Resources
Types	<ul style="list-style-type: none"> • Define budget • Explain the purposes of budgeting: <ul style="list-style-type: none"> ➤ Allocation ➤ Control ➤ Monitoring resources ➤ Appraising performance ➤ Achieving objectives • Explain types of budget: <ul style="list-style-type: none"> ➤ Historical based ➤ Zero based • Discuss the relative merits of differing types of budgets 	Prepare a budget for an event	Books: S 30 H 47, 54 G 65 J 34
Purpose of Budgets	<ul style="list-style-type: none"> • Explain the possible uses of budgets • Recognise the problems of setting budgets • Manipulate a budget given changes in circumstances • Analyse a budget in given circumstances • Discuss the implications of using a forecast budget • Discuss the value of budgets to a business 		
Variations	<ul style="list-style-type: none"> • Define variance • Define favourable and adverse variances (for both costs and revenues) and their impact on profits • Calculate and interpret variances from given data • Analyse the usefulness of variances in a given business situation 		Books: S 30 H 47 G 66 J 32 CPFS 02 Budgeting – calculating and interpreting variances

3.3 Sources of Finance (guided hours: 6 – 8)

The aim of this section is to develop understanding of sources of finance so that decisions can be made on appropriate sources in given situations based on a wide range of factors.

Topic	Learning outcomes	Suggested teaching and candidate activities	Resources
<u>Types of Finance</u>	<ul style="list-style-type: none"> • Understand the needs for finance: <ul style="list-style-type: none"> ➤ Short term ➤ Long term • Understand the difference between revenue and capital expenditure and how this affects the nature of the finance needed • Understand the difference between internal and external sources of finance • Understand how the need for finance changes over the life of a business • Explain how different sources of finance are available for differing circumstances • Relate sources of finance to the legal structure of a business • Recognise the various long-term internal sources: <ul style="list-style-type: none"> ➤ Retained profits ➤ Asset sales • Recognise the various long-term external sources: <ul style="list-style-type: none"> ➤ Shares ➤ Loans ➤ Mortgages ➤ Venture capital • Recognise various short-term sources: <ul style="list-style-type: none"> ➤ Overdrafts/short-term loans ➤ Debt factoring • Assess sources of finance for a given purpose 	<p>Visiting speakers.</p> <p>Visits to Banks, Stock Exchange.</p> <p>Practical decision exercises.</p> <p>Link in with working capital.</p> <p>Link in with interest rates.</p>	<p>Books: S 25 H 44, 45 G 47 J 29</p> <p>CPFS 40 Football finances – do they make sense? Websites of the Stock Exchange, banks. Newspapers WL series 5 lesson 9 WL series 4 lesson 9 Bized PowerPoint tutor2u</p>
<u>Determinants of Source of Funds</u>	<ul style="list-style-type: none"> • Identify the factors influencing the choice of source of finance and the criteria for choice: <ul style="list-style-type: none"> ➤ Interest rates ➤ Gearing ➤ Size of business ➤ Size of need • Evaluate the factors in a given situation • Choose a source of finance in a given situation 		

3.4 Investment Decisions (guided hours: 7 – 9)

Investment decisions tie in with cash flow forecasting. Techniques should be developed in practical problem solving situations. Decisions should be based on financial and non-financial factors, recognising benefits and shortcomings of the various investment appraisal techniques.

Topic	Learning outcomes	Suggested teaching and candidate activities	Resources
<u>Methods of Investment Appraisal</u>	<ul style="list-style-type: none"> • Define investment • Define net cash flow in an investment context • Recognise situations in which an investment decision can be appraised • Recognise the importance of being able to forecast net cash flow • Define and explain: <ul style="list-style-type: none"> ➢ ARR ➢ Payback (PBP) • Calculate and interpret ARR and PBP from given data • Define and explain DCF, NPV, IRR • Discuss factors influencing the choice of DCF • Calculate and interpret NPV and IRR from given data • Discuss the advantages and disadvantages of the various investment appraisal techniques in a given situation • Select and justify the most suitable technique in a given situation 	<p>Explanation.</p> <p>Exercises.</p> <p>Practical problem solving.</p> <p>Link in with cash flow (3.5).</p>	<p>Books:</p> <p>S 29</p> <p>H 50</p> <p>G 68, 69</p> <p>J 30</p> <p>CPFS 25 Discounted cash flow – its uses and abuses</p> <p>Bized</p> <p>tutor2u</p>
<u>Factors Influencing Investment Decisions</u>	<ul style="list-style-type: none"> • Recognise the factors influencing investment decisions: <ul style="list-style-type: none"> ➢ Motives/objectives ➢ Business confidence ➢ Interest rates ➢ Other • Evaluate those factors in a given situation • Make an investment decision from given quantitative and qualitative data 		

3.5 Cash Flow (guided hours: 4 – 6)

Topic	Learning outcomes	Suggested teaching and candidate activities	Resources
Cash Flow	<ul style="list-style-type: none"> • Define cash flow in a business context (cf investment context) • Discuss the importance of cash flow to a business • Discuss the factors likely to influence a forecast of cash flows • Calculate and interpret actual and/or forecast cash flows from given data • Demonstrate understanding of the difference between cash and profits • Demonstrate an understanding of the difference between a cash flow forecast and cash flow statement 	<p>Set up spread sheets to take the drudgery from preparing cash flow forecasts.</p> <p>Ideal for “what if?”</p> <p>Link in with investment appraisal (3.4).</p>	<p>Books: S 30 H 46 G 67, 52, 53</p> <p>Bized Virtual factory www.businessteacher.co.uk WL series 3 lesson 11</p>
	<p>Methods of improving cash flow</p> <ul style="list-style-type: none"> • Discuss ways of improving cash flow: <ul style="list-style-type: none"> ➤ Increasing revenues ➤ Decreasing costs ➤ Changing credit terms • Sources of finance 	<p>Practical problems.</p>	<p>Book: J 28</p> <p>CPFS Working capital – why is it important? www.osl-ltd.co.uk</p>

3.6 Break Even Analysis (guided hours: 4 – 6)

Break even analysis should be developed as a useful tool for managers, with the emphasis on “what if” analysis.

Topic	Learning outcomes	Suggested teaching and candidate activities	Resources
<p><u>Break Even Analysis</u></p>	<ul style="list-style-type: none"> • Distinguish between fixed and variable costs • Identify fixed and variable costs in a given situation • Understand the break even diagram: <ul style="list-style-type: none"> ➤ Show the variable cost line ➤ Show the total fixed cost line ➤ Show the revenue ➤ Define and show the break even quantity ➤ Define and show the margin of safety ➤ Show the profit/loss at a given level of output • Derive the break even formula and use it to calculate break even, margin of safety, profit • Identify the possible uses of break even analysis • Use break even analysis in a given situation • Discuss the value and limitations of break even analysis to a business 	<p>Explanation.</p> <p>Reinforcement through exercises.</p> <p>Develop “what if” to explain practical uses.</p>	<p>Books: S 21 H 41, 53 G 61, 62 J 33</p> <p>www.tutor2u.net/assets/simulations/prmium_buggies_breakeven.swf</p>

3.7 Accounts (guided hours: 19 – 21)

It is important that the focus of this section is on the usefulness of accounts to business stakeholders and the role of accounts in decision making. Understanding of the construction of accounts and conventions are necessary before the accounts can be used but this should only be seen as a means to an end rather than the detail that is required in an accounting course. The greater focus of this unit should be on using accounts through ratio analysis and comparisons on business decisions.

Topic	Learning outcomes	Suggested teaching and candidate activities	Resources
Introduction	<ul style="list-style-type: none"> • Understand the main users of accounting information and why accounting information might be valuable to them • Analyse the uses to which accounting information can be put • Understand the main differences between financial and management accounting • Understand the significance of the main accounting concepts and the ways these might limit the usefulness of accounts: <ul style="list-style-type: none"> ➤ Historical ➤ Accruals ➤ Prudence • Understand the needs for publication of annual accounts 	<p>Use real accounts.</p> <p>Explain concepts.</p> <p>Use comparisons.</p>	<p>Books: S 25 H 37, 55 G 48</p> <p>For use throughout 3.7: www.tutor2u.net – study notes, presentation www.carol.co.uk and www.bized.co.uk for accounts Accounts can be ordered from http://ft.ar.wilink.com www.annualreports.com</p>

<p>Income Statement</p>	<ul style="list-style-type: none"> • Understand the purpose of the profit and loss account (income statement) • Understand the main components of the profit and loss account: <ul style="list-style-type: none"> ➢ Sales revenue ➢ COGS ➢ Expenses ➢ Depreciation ➢ Dividends • Define: <ul style="list-style-type: none"> ➢ Gross profit ➢ Net profit ➢ Net profit after tax ➢ Retained profit • Perform relevant calculations to produce a profit and loss account from given component data • Analyse the purpose, role and merits of the profit and loss account for a business and its stakeholders • Interpret a profit and loss through simple comparisons 	<p>See above.</p>	<p>Books: S 27 H 42 G 54, 55 J 24</p>
<p>Balance Sheet</p>	<ul style="list-style-type: none"> • Understand the purpose of the balance sheet • Understand the main components of the balance sheet: <ul style="list-style-type: none"> ➢ Fixed assets ➢ Current assets ➢ Current liabilities ➢ Long term liabilities ➢ Share holders funds including reserves • Define: <ul style="list-style-type: none"> ➢ Net assets ➢ Capital employed • Understand the links between the balance sheet and the profit and loss accounts: <ul style="list-style-type: none"> ➢ Depreciation ➢ Reserves and retained profit • Perform relevant calculations to produce a balance sheet from given component data • Analyse the purpose, role and merits of the balance sheet for a business and its stakeholders • Interpret a balance sheet through simple comparisons 	<p>See above.</p>	<p>Books: S 27 H 43 G 49 J 25</p> <p>CPFSThe balance sheet and the trophy cabinet</p>

<p>Ratio Analysis</p>	<ul style="list-style-type: none"> • Define, calculate and interpret the main profitability ratios: <ul style="list-style-type: none"> ➤ Gross profit margin ➤ Net profit margin ➤ ROCE ➤ RONA • Define, calculate and interpret the main activity ratios: <ul style="list-style-type: none"> ➤ Asset turnover ➤ Stock turnover ➤ Debt collection period • Define and calculate the main liquidity ratios: <ul style="list-style-type: none"> ➤ Current ratio ➤ Acid test ratio • Define, calculate and interpret the gearing ratio. This should tie in with Sources of Finance • Define, calculate and interpret the main shareholder ratios: <ul style="list-style-type: none"> ➤ Dividend per share ➤ Dividend yield ➤ Return on equity ➤ P/E • Discuss the problems and limitations associated with the use of ratios • Use the ratios to aid business decisions • Analyse the financial situation of a business using ratios and discuss ways in which it could be improved for a given business 	<p>Explanation.</p> <p>Use in relation to decision making.</p>	<p>Books:</p> <p>S 28 H 56 G 56 to 60 J 26, 27</p> <p>CPFS 6 Ratio analysis made simple BSR 13/1 Accounting ratios BSR 12/1 Strategic financial decisions BSR 12/2 Big business blunders</p>
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3.8 Depreciation (guided hours: 4 – 6)

Candidates should have a basic understanding on how depreciation impacts on the accounts of a business.

Topic	Learning outcomes	Suggested teaching and candidate activities	Resources
Depreciation	Meaning, definitions <ul style="list-style-type: none"> Define depreciation Understand that depreciation is not a cash item Recognise the role of depreciation in the accounts Recognise that there are several ways in which an asset could be depreciated Explain the impact of changing depreciation on the profit and loss account and balance sheet 	Explanation. Exercises. Important to emphasise why the balance sheet still balances.	Books: S 27 H 49 G 50 J 25 CPFS How to calculate depreciation
	Straight line <ul style="list-style-type: none"> Explain the straight line depreciation method Calculate depreciation using this method 		
	Decreasing balance <ul style="list-style-type: none"> Explain the decreasing balance method Calculate depreciation using this method 		
	Book value <ul style="list-style-type: none"> Review the book value of an asset 		

Contingency, Tests, Consolidation, Skills Development (guided hours: 15)

Topic	Learning outcomes	Suggested teaching and candidate activities	Resources
Contingency, Tests, Consolidation, Skills Development	In addition there are 20 hours for the whole course available for synoptic skills development and 20 hours for project preparation which can be reallocated if appropriate		

Unit 4: Operations and Project Management (55 – 65 guided learning hours)

Operations Management is the study of how resources are managed to achieve efficient production/provision of goods and services. This unit promotes understanding of operational decisions in managing a business in primary, secondary and tertiary sectors. Operations management decisions should be linked with other functional areas of a business such as Marketing and People. It can usefully be taught along side of Marketing as many of the ideas are inter-linked. Production/operational decisions should be seen in the context of the other factors influencing a business such as available finance, impact on employees and external factors.

Many of the ideas relating to production also apply to the provision of goods and services and this should be developed throughout, where appropriate.

Some Operations management ideas relate closely to issues from other units, for example, the concepts of efficiency relate to HRM aspects, location relates to globalisation. It may be useful to cover such issues later rather than sooner in the course.

4.1 Production methods (guided hours: 4 – 6)

Topic	Learning outcomes	Suggested teaching and candidate activities	Resources (see key at end of this document)
Production Methods	<ul style="list-style-type: none"> • Explain production as the process of converting inputs to outputs with the aim of adding value • Describe different types of production methods: <ul style="list-style-type: none"> ➤ Job ➤ Batch ➤ Flow ➤ Cell ➤ Lean ➤ Flexible specialisation ➤ JIT • Analyse advantages of different types of production methods including impact on: <ul style="list-style-type: none"> ➤ Stock ➤ Quality ➤ Efficiency • Discuss the factors that may influence the choice of production method • Select and justify a production method in a given situation • Link production methods with inventory, quality, continuous improvement, Kanban 	<p>Visits, videos.</p> <p>Opportunities to observe and analyse a variety of production systems.</p> <p>Practical classroom “making” exercise involving job, batch, flow.</p>	<p>Books: S 20, 23 H 78 to 80 G 96, 97, 103, 104</p> <p>CPFS 23 Production systems T100 From bean to bar</p>

4.2 Efficiency (guided hours: 1 – 3)

To be seen in conjunction with capacity (4.3).

Topic	Learning outcomes	Suggested teaching and candidate activities	Resources
<p><u>Economies and Diseconomies of Scale</u></p>	<ul style="list-style-type: none"> • Define economies and diseconomies of scale • Understand that these apply to the scale of an operation rather than the level of production • Discuss the factors that influence the choice of scale for a business • Distinguish between internal and external economies • Show diagrammatically the impact of economies of scale • Give examples of various types of economy and diseconomy of scale: <ul style="list-style-type: none"> ➤ Managerial ➤ Marketing ➤ Purchasing ➤ Technical ➤ Risk-bearing ➤ Financial • Show understanding of the consequences to an organisation of becoming “too big” • Analyse economies/diseconomies of scale in a given situation • Discuss the reasons for diseconomies of scale including the concepts of communication and coordination failure 	<p>Explanation.</p> <p>Bized activity.</p> <p>Case studies.</p> <p>Note: there is a danger of teaching as in Economics.</p>	<p>Books:</p> <p>S 22</p> <p>H 81</p> <p>G 24</p> <p>J 9</p>

4.3 Capacity (guided hours: 2 – 4)

There is a danger that capacity is seen as a given, in other words that it is a constant. Ideas relating to capacity should also be linked in with concepts such as productivity and efficiency so that constraints on capacity can be seen as being suitable for reducing, thereby increasing capacity. Underutilisation is as important a problem as working close to capacity.

Topic	Learning outcomes	Suggested teaching and candidate activities	Resources
Capacity	<ul style="list-style-type: none"> • Define over capacity, under capacity, capacity utilisation, coping zone • Calculate capacity utilisation and interpret the results • Assess the implications of operating at different levels of capacity utilisation • Discuss the reasons for a business performing over/under capacity • Discuss the implications for a business of operating over/under capacity • Discuss ways of increasing capacity 	<p>Explanation.</p> <p>Practical examples.</p> <p>Case studies.</p>	<p>Books:</p> <p>S 22</p> <p>H 81, 84</p> <p>G 96</p> <p>J 35</p> <p>BSR Sept 2005 Capacity and capacity utilisation</p> <p>BSR 13/3 Productivity in the UK</p> <p>BSR 12/1 Capacity utilisation</p>

4.4 Quality (guided hours: 7 – 9)

Quality should be seen in relation to customers and customer needs. It is Important to link quality in with costs, marketing issues, consumer preferences/perceptions, HRM issues. It may be useful to link quality with the ideas behind mission statements.

Topic	Learning outcomes	Suggested teaching and candidate activities	Resources
Quality	<ul style="list-style-type: none"> • Explain the meaning of quality in terms of consumer demands • Define quality assurance, quality management, quality control • Explain the roles of detection and prevention • Evaluate the benefits to an organisation, including efficiency, of using built in quality techniques • Analyse the main methods of quality control: <ul style="list-style-type: none"> ➤ Inspection ➤ Prevention • Discuss methods for quality assurance: <ul style="list-style-type: none"> ➤ TQM ➤ Kaizen ➤ Benchmarking • Discuss quality in relation to customers such as kite marks, BS and ISO standards as well as customer service and UK/EU legislation • Discuss the link between quality and training 	<p>Visiting speakers.</p> <p>Examining artefacts.</p> <p>Case studies.</p>	<p>Books: S 23, 24 H 83 G 97, 101, 102 J 37, 38, 39</p> <p>www.bsi-global.com www.kaizen.com BSR 12/3 L'Oreal T100 Leyland Trucks T100 BSI T100 NPower</p>

4.5 Stocks (guided hours: 4 – 6)

It is important to develop stock control alongside other issues such as the financial implications of holding too much stock – the decision is always a trade-off.

Topic	Learning outcomes	Suggested teaching and candidate activities	Resources
Inventory	<ul style="list-style-type: none"> • Identify types of stock <ul style="list-style-type: none"> ➤ Raw materials, components ➤ Work-in-progress ➤ Finished goods • Discuss the role of different types of stock • Define and calculate: <ul style="list-style-type: none"> ➤ Buffer stock levels ➤ Reorder levels ➤ Reorder quantities ➤ Lead times ➤ Stock out • Construct and interpret stock control charts • Analyse stock charts in a given situation • Vendor rating • Discuss the balance between stock holding costs and stock out costs • Discuss a stock control policy in a given situation • Link stock control with just in time production methods 	<p>Development of ideas and application to practical situations.</p> <p>May be taught alongside lean production, quality circles.</p>	<p>Books: S 23 H 82 G 100 J 36</p> <p>CPFS JIT Stock control in the fast food industry BSR Sept 2003 JIT? It depends BSR 13/2 Uncovering the truth behind stock control T100 McDonald's</p>

4.6 Managing Projects (guided hours 9 – 11)

Critical Path Analysis should be developed as a decision making tool. Evaluation of its use in given situations is essential to understanding its value.

Most textbooks are traditional in their approach to location with insufficient emphasis given to issues such as employment law, globalisation and other practical considerations.

Topic	Learning outcomes	Suggested teaching and candidate activities	Resources
Managing Projects	<p>Critical path analysis</p> <ul style="list-style-type: none"> • Explain the purposes of project management • Explain the features of a network diagram (CPA) • Define EST, LFT, LST, EFT, dummy activity, node • Construct a network from given data • Understand the meaning of the critical path • Calculate and interpret the critical path from given data • Explain the terms free float and total float • Calculate and interpret floats from given data • Evaluate the impact of critical and non-critical activities • Discuss the uses of CPA results • Evaluate the use of CPA 	<p>Best taught by description first followed by practical examples.</p> <p>Important to develop strengths and weaknesses through discussion.</p> <p>May be difficult for non-mathematicians.</p>	<p>Books: S 24 H 91 G 142, 143 J 40</p> <p>CPFS 3 CPA –The basic concepts T100 Network Rail</p>
	<p>Planning production</p> <ul style="list-style-type: none"> • Explain Gantt charts • Interpret and analyse Gantt charts 		
	<p>Location</p> <ul style="list-style-type: none"> • Describe the factors likely to influence the choice of location for a business: <ul style="list-style-type: none"> ➢ Markets ➢ Resources ➢ Costs ➢ Labour ➢ Assistance • Demonstrate an understanding of the benefits of business parks, agglomeration • Discuss the role of grants and subsidies in location decisions • Analyse industrial inertia in relation to location 	<p>Practical exercises.</p> <p>Links in with globalisation, government influences, outsourcing.</p>	<p>Books: S 20 H 88 G 98, 99</p> <p>BSR 13/3 Relocating a business</p>

4.7 Competitive Advantage (guided hours: 2 – 4)

This section could usefully be tied in with Product in Marketing.

Topic	Learning outcomes	Suggested teaching and candidate activities	Resources
<u>Competitive Advantage / R&D</u>	<ul style="list-style-type: none"> • Understand the role of R&D in the production process and its relationship with markets/customers • Understand the costs and benefits to a business of R&D • Discuss the process of innovation and likely sources for innovative ideas (both internal and external) • Evaluate the likely role of external links such as universities in an R&D programme 		Books: S 9 H 24, 87 G 40, 95 BSR 12/2 Innovation through deliberate creativity T100 Syngenta

4.8 Reducing Waste (guided hours 4 – 6)

This section could usefully be tied in with quality and lean production.

Topic	Learning outcomes	Suggested teaching and candidate activities	Resources
<u>Reducing Waste</u>	<ul style="list-style-type: none"> • Define waste and different types of waste • Understand the importance of waste control in terms of: <ul style="list-style-type: none"> ➤ Costs ➤ Ethics ➤ Legal issues • Discuss waste management in relation to costs and benefits • Recognise external organisations who might provide assistance in waste management such as the Carbon Trust 	Visiting speakers, e.g. Local Authority.	Book: H 86

4.9 Trends in Cost Control (guided hours 2 – 4)

This section links in with efficiency, globalisation, location as well as consideration of costs.

Topic	Learning outcomes	Suggested teaching and candidate activities	Resources
Cost Control	Outsourcing <ul style="list-style-type: none"> • Define outsourcing • Give examples of businesses that have successfully used outsourcing • Analyse the factors influencing outsourcing decisions • Discuss outsourcing in a given situation 	There are plenty of real examples to draw on.	Book: H76
	Off-shoring <ul style="list-style-type: none"> • Define off-shoring • Give examples of businesses that have successfully used off-shoring • Analyse trends in off-shoring • Analyse the factors influencing off-shoring decisions • Discuss off-shoring in a given situation 		

Contingency, Tests, Consolidation, Skills Development (guided hours: 15)

Topic	Learning outcomes	Suggested teaching and candidate activities	Resources
Contingency, Tests, Consolidation, Skills Development	In addition there are 20 hours for the whole course available for synoptic skills development and 20 hours for project preparation which can be reallocated if appropriate.		

Unit 5: People in Organisations (55 – 65 guided learning hours)

The HRM unit of the course aims to give candidates skills in making decisions in practical work-place situations. Although theories are developed it is important that any solutions are seen in the overall context of a business situation. There is a danger that the theories overshadow the practical aspects of motivation, particularly in candidates' answers to questions. It is important to develop the practical solutions alongside the strengths and weaknesses of the theories. Links with other areas of the syllabus should be developed at all times, so, for example, there may be financial constraints, impact on production decisions or other factors such as marketing, the law and so on.

The central role of the management of people in helping business achieve efficiency and competitiveness should be emphasised.

5.1 Motivation (guided hours: 9 – 11)

Topic	Learning outcomes	Suggested teaching and candidate activities	Resources (see key at end of this document)
Motivational Theory <i>(probably best taught before methods)</i>	<ul style="list-style-type: none"> Understand why a motivated workforce is important Use Maslow's hierarchy to explain human needs Explain and discuss the main findings of motivational theories: Taylor, Maslow, Mayo, McClelland Explain and discuss the main findings of management theories: Herzberg, Vroom, Equity Theory Demonstrate an understanding of and discuss the Hackman and Oldham job characteristics model Discuss the usefulness of these ideas in practical situations 	<p>Theory should be developed alongside practice.</p> <p>Experience in part time jobs is a useful starting point.</p>	<p>Books:</p> <p>S 13 H 59 G 81, 82 J 42</p> <p>Vroom: H59, G82 Equity: J 42</p> <p>CPFS 1 Motivation in practice BSR 13/3 What did Herzberg say about motivation BSR 12/1 Motivation or drive? BSR 12/2 Motivation and productivity BSR 12/3 High Street motivation WL series 12 lesson 1 T100 Royal Bank of Scotland</p>

Monetary and Non-Monetary Motivation	<p>Monetary methods</p> <ul style="list-style-type: none"> • Explain the main forms of financial motivation: <ul style="list-style-type: none"> ➤ Hourly pay ➤ Salary ➤ Piece rate ➤ PRP, bonuses ➤ Profit sharing ➤ Share ownership ➤ Fringe benefits ➤ Commission • Relate these to the theories • Discuss their likely effectiveness and appropriateness in a given situation 	<p>Study of newspapers/magazines to compare pay/conditions.</p> <p>Link payment methods with job/situation.</p>	<p>Books: S 14 H 60 G 84, 85 J 45</p> <p>BSR 13/3 Remuneration</p>
	<p>Non-monetary methods</p> <ul style="list-style-type: none"> • Explain the main forms of non-financial motivation: <ul style="list-style-type: none"> ➤ Delegation ➤ Job enrichment ➤ Job enlargement ➤ Team working ➤ Empowerment ➤ Job rotation ➤ Modern techniques (Saatchi and Switch) • Relate these to the theories • Discuss their likely effectiveness and appropriateness in a given situation 	<p>Football teams?</p> <p>Case study development.</p>	<p>Books: S 14 H 61 G 83,89 J 43</p> <p>T100 Audit Commission T100 Egg T100 Siemens T100 Royal Bank of Scotland</p>
<p>Employee Participation <i>(best considered after theories)</i></p>	<ul style="list-style-type: none"> • Explain participation within the context of motivation • Analyse and discuss methods of participative decision-making including pros and cons 	<p>Links in with trades unions.</p>	<p>Books: S 14 H 61, 73, 74 G 83, 88</p> <p>T100 Involving employees</p>

5.2 Leadership and Management Styles (guided hours: 4 – 6)

Leadership and management need to be developed alongside the ideas that arrive out of consideration of motivation theories.

Topic	Learning outcomes	Suggested teaching and candidate activities	Resources
<p><u>Styles of Management</u></p>	<ul style="list-style-type: none"> • Understand the importance of leadership in business • Discuss the qualities of a good leader in different circumstances • Understand and discuss the role of a leader • Understand and discuss the role of a manager • Demonstrate the difference between task needs and people needs • Distinguish between leadership and management • Recognise the link between McGregor's theory X and Y and the qualities of a leader • Explain different styles of leadership: <ul style="list-style-type: none"> ➤ Autocratic ➤ Democratic ➤ Paternalistic ➤ Laissez faire • Discuss the likely effectiveness of these styles in a given situation • Discuss the appropriateness of a leadership style in a given situation • Justify a change of leadership style in a given situation 	<p>What makes a good leader?</p> <p>Although not in the syllabus, it will be necessary to develop the role of a manager alongside the role of a leader.</p> <p>Examine different roles and different management styles.</p> <p>McGregor is about management perceptions not workers</p>	<p>Books: S 15 H 62 G 86, 87, 132 J 42</p> <p>CPFS Leadership and management styles BSR 12/3 Clive Woodward's style of management BSR 12/3 McGregor</p>

5.3 Management by Objective (guided hours: 2 – 4)

Although management by objectives (MBO) in its original sense is less fashionable than it used to be, there is plenty of evidence in the use of targets, particularly in the public sector, where targets are used to achieve results desired by management/the government.

In one sense these often go against the ideas of Drucker in that targets are imposed rather than negotiated, and this provides an area suitable for discussion of the issues. This section links in with objectives (1.3).

Topic	Learning outcomes	Suggested teaching and candidate activities	Resources
Management by Objectives	<ul style="list-style-type: none"> • Understand the role that Drucker played in developing management by objectives • Explain management by objectives • Discuss the advantages and disadvantages of management by objectives including unforeseen outcomes 	<p>Objective setting exercise.</p> <p>Measuring achievement of targets.</p> <p>Develop appropriate and inappropriate objectives.</p>	<p>Books: S 4 H 62 G 73</p> <p>CPFS NHS targets – a symptom or the cure?</p>

5.4 Labour Turnover (guided hours 2 – 4)

This section links in with ideas about Motivation (5.1) and Absenteeism (5.5).

Topic	Learning outcomes	Suggested teaching and candidate activities	Resources
<u>Labour Turnover</u>	<ul style="list-style-type: none"> • Understand the likely impact of high or low labour turnover on a business • Discuss likely causes of high labour turnover • Calculate and interpret labour turnover in a given situation • Assess the extent of labour turnover as a problem in a given situation • Understand methods of reducing labour turnover • Recommend actions to reduce labour turnover in a given situation 	<p>Examine situations in which there is high/low labour turnover.</p> <p>Not necessarily bad to have high labour turnover.</p>	<p>Books: S 18 H 63 G 71 J 44</p> <p>BSR 13/2 Recent research on labour turnover</p>

5.5 Absenteeism (guided hours: 2 – 4)

This section links in with ideas about Motivation (5.1).

Topic	Learning outcomes	Suggested teaching and candidate activities	Resources
<u>Absenteeism</u>	<ul style="list-style-type: none"> • Understand the impact that high absenteeism might have on a business • Understand likely causes of high absenteeism • Calculate and interpret absenteeism in a given situation • Discuss potential solutions to high absenteeism • Recommend a solution to high absenteeism in a given situation 	<p>Examine reasons for absenteeism in a practical situation.</p> <p>Discuss absenteeism statistics.</p>	<p>Book: J 43</p> <p>BSR 12/2 Absenteeism</p>

5.6 Human Resource Management and Work Force Planning (guided hours: 4 – 6 for Introduction and Recruitment; 4 – 6 for Training; 4 – 6 for the Workforce Plan; 4 – 6 for Organisational Structure)

Much of this unit can be taught through practical classroom exercises, taking the process of a job through from beginning (planning) to end (redundancy/dismissal). Organisational structure can be covered in a practical way, too, by looking at a variety of actual businesses.

Topic	Learning outcomes	Suggested teaching and candidate activities	Resources
Introduction	<ul style="list-style-type: none"> • Understand the purpose and functions of HRM (in larger firms, a separate functional department) • Demonstrate an understanding of the move from personnel to HRM and the involvement of the whole business in HRM 		Books: S 18 H 64, 65, 66 G 75 J 44
Recruitment	<ul style="list-style-type: none"> • Understand the difference between internal and external recruitment and recycling • Discuss the impact on a business of choosing either internal or external recruitment • Understand the processes involved in recruitment: <ul style="list-style-type: none"> ➤ Job analysis ➤ Job evaluation ➤ Job description ➤ Person specification ➤ Attracting applicants ➤ Curriculum vitae • Understand methods of selection: <ul style="list-style-type: none"> ➤ Interviews ➤ Intelligence tests ➤ Personality tests ➤ Other selection procedures • Discuss appropriate recruitment/selection methods in a given situation • Discuss the merits of internal versus external recruitment 	Practical job design and recruitment exercise using resources such as newspapers, the internet.	T100 Audi Investing in people T100 Unison T100 M&S Bized HRM at Boots WL series 7 lesson 10 WL series 3 lesson 14

<p>Training</p>	<ul style="list-style-type: none"> • Understand the importance of training in a business organisation • Understand why some businesses choose not to train their staff • Link training with concepts such as competitiveness, quality, participation • Understand the link between training and Investors in People • Describe different types of training: <ul style="list-style-type: none"> ➤ Induction ➤ On the job ➤ Off the job ➤ Retraining • Discuss the advantages and disadvantages of investing in a training programme • Understand the importance of Training Needs Analysis • Discuss appropriate training methods in a given situation 	<p>Possible opportunity for a visit – supermarket, training organisation.</p>	<p>Books: S 18 H 67 G 76 J 44</p> <p>CPFS 14 The costs and benefits of training BSR 13/2 Arcadia Group T100 M&S T100 National Grid T100 Tarmac WL series 7 lesson 7</p>
<p>The Workforce Plan</p>	<ul style="list-style-type: none"> • Understand the elements of a work force plan: <ul style="list-style-type: none"> ➤ Staff audit ➤ Staff targets ➤ Staff planning • Analyse and discuss the elements in a given situation • Discuss the advantages and disadvantages of flexible working to both a business and its employees (this could be linked in with motivation ideas) • Discuss other aspects of developing a flexible workforce 		<p>Books: H 63, 76 G 71, 72, 78</p>

<p><u>Organisational Structure</u></p>	<ul style="list-style-type: none"> • Recognise different approaches to organisational structure (hierarchical, matrix, formal, informal) • Explain features of structures: <ul style="list-style-type: none"> ➤ Span of control ➤ Levels of hierarchy ➤ Chain of command • Discuss the advantages and disadvantages of different types of structure: <ul style="list-style-type: none"> ➤ Flat ➤ Narrow ➤ Matrix • Discuss the relative merits of centralisation/ decentralisation • Explain the difference between centralised and decentralised organisations • Discuss the advantages and disadvantages of delegation • Discuss the benefits and consequences of changing an organisation structure • Discuss the effects of structure on an organisation's performance • Recognise the merits of de-layering and downsizing • Discuss the advantages and disadvantages of de-layering/downsizing in a given situation • Justify the appropriateness of particular structures in a given situation • Discuss the extent to which individuals might operate in a way different from that suggested by an organisation chart • Recommend methods for improving an organisation structure 	<p>Examination of actual businesses, discussing strengths and weaknesses.</p> <p>Design of a new structure – linking in with motivation, objectives, markets, etc.</p>	<p>Books: S 18 H 58, 90 G 73, 74, 145 J 3</p> <p>T100 Amway T100 Go Ahead www.accountabilityrating.com</p>
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5.7 Change management (guided hours 4 – 6)

This section is central to the subject and should bring together work on objectives and strategies as well as all the themes relating to the management of people.

Topic	Learning outcomes	Suggested teaching and candidate activities	Resources
<p><u>Management of Change</u></p>	<ul style="list-style-type: none"> • Understand the reasons for change <ul style="list-style-type: none"> ➤ Internal ➤ External • Understand why change is sometimes resisted • Discuss factors that may enable change and factors that may limit change • Analyse the need for change in a given situation • Discuss how corporate culture can influence the likelihood of success in achieving change • Discuss methods that management might use to bring about change in a given situation 	<p>Case Studies, visiting speakers, TV programmes.</p>	<p>Books: S 19 H 76, 77 G 125 J 47</p> <p>CPFS Car plant closures BSR 13/4 Change management and force field analysis</p>

5.8 Employment Law and Collective Representation (guided hours: 3 – 5)

This section links with legal constraints (1.6) and HRM functions (5.6).

Topic	Learning outcomes	Suggested teaching and candidate activities	Resources
<u>The Principles of Employment Law</u> (see also 1.6)	<ul style="list-style-type: none"> • Understand the basic principles of employment law including: <ul style="list-style-type: none"> ➢ Minimum wage ➢ Sex and age discrimination ➢ Health and safety ➢ Contracts of employment ➢ Data protection ➢ Employment Act • Understand the difference between redundancy and dismissal • Discuss the grounds for unfair dismissal • Explain the processes involved in a claim for unfair dismissal including employment tribunals • Discuss the impact of employment legislation on a given business and its employees 	Visit to a tribunal? Visiting speakers.	Books: S 18 H 66, 69 G 77, 92, 94 J 8, 44 T100 Health and safety in the work place WL series 8 lesson 3 WL series 7 lesson 9
<u>Trades Unions</u>	<ul style="list-style-type: none"> • Describe types of employee organisations including trades unions • Describe the roles of trades unions including collective bargaining • Understand the key legislation applying to trades unions • Describe forms of industrial action • Discuss the advantages and disadvantages of trades unions to both employees and employers • Analyse the factors determining the strength of a trade union including union density • Discuss the advantages and disadvantages to a business of union recognition • Discuss the role of the TUC 	Visiting speaker. Trades unions' websites.	Books: S 19 H 69, 73, 74, 75 G 90, 91 J 46 CPFS 28 Modern role of trades unions TUC ILO Trades unions' websites

Employer – Employee Relations	<ul style="list-style-type: none"> • Explain the roles of employee/employer advisory organisations <ul style="list-style-type: none"> ➢ ACAS ➢ TUC ➢ CBI • Discuss the value of such organisations and their processes to both businesses and employees 	See above	Books: S 19 H 69, 73, 74, 75 G 90, 91 J 46 BSR 13/4 Why arguing can be good for you T100 Unison T100 Vodaphone WL series 8 lesson 9
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5.9 Labour Markets (guided hours: 2 – 4)

This section links in with sections on motivation, trades unions and international markets.

Topic	Learning outcomes	Suggested teaching and candidate activities	Resources
Labour Markets	<ul style="list-style-type: none"> • Understand the determinants of labour demand • Understand the determinants of labour supply • Analyse how the market may operate to determine wages • Analyse a labour market in a given situation • Discuss the impact of skills shortages in a given situation • Recommend strategies to overcome skills shortages 	Comparison of wages for a variety of jobs. Talk with employers. Identification of skills shortages. Links in with wages, demand and supply.	Book: H 104
EU Enlargement	<ul style="list-style-type: none"> • Analyse the impact of EU enlargement on labour markets • Discuss the advantages and disadvantages of new sources of supply of labour on a given business and the wider community • Discuss possible new sources of labour supply 	Links in with training.	BSR 13/4 The business implications of immigration

5.10 Business Communication (guided hours 2 – 4)

This section links in with sections on motivation, trades unions and international markets.

Topic	Learning outcomes	Suggested teaching and candidate activities	Resources
<u>Business Communication</u>	<u>Purpose of communication</u> <ul style="list-style-type: none"> • Understand the purposes of business communication • Give examples of methods to ensure a desired response 	Best taught through practical communication exercises.	Books: S 17 H 82 G 79
	<u>Barriers to effective communication</u> <ul style="list-style-type: none"> • Analyse the various barriers to communication including: <ul style="list-style-type: none"> ➤ Attitudes ➤ Perceptions ➤ Noise ➤ Inappropriate media 		
	<u>Communication methods</u> <ul style="list-style-type: none"> • Explain the standard methods of communication • Discuss their relative appropriateness in different circumstances • Discuss their relative appropriateness for different people 		

Contingency, Tests, Consolidation, Skills Development (guided hours: 15)

Topic	Learning outcomes	Suggested teaching and candidate activities	Resources
<u>Contingency, Tests, Consolidation, Skills Development</u>	In addition there are 20 hours for the whole course available for synoptic skills development and 20 hours for project preparation which can be reallocated if appropriate.		

PART TWO: PAPER 3 PERSONAL INVESTIGATION

The Personal Investigation is an individual project by each candidate, which will culminate in an ICT based report of up to 3500 words, plus up to six pages of appendices. The investigation will be based on recommending solutions to a business problem faced by a small company local to the candidate's home or school. The candidates should have a reliable contact within the business concerned, to facilitate co-operative working and access to data, which may otherwise be sensitive, for example sales statistics.

The emphasis on independent research and selection of data to suggest solutions to a business problem, as well as the enforced upper-word limit will be excellent preparation for the demands of university-level work. Assessment of the investigations focuses on Communication, Analysis and Evaluation, with 40% of the marks awarded for Communication.

Examples of alternative suggested titles, which have been deliberately chosen, like those in the syllabus, to emphasise the suitability of small/medium sized local businesses for these projects:

- Should the Nupur Indian restaurant diversify into offering Thai food on its menu?
- How might Clive Miller butcher shop improve staff morale?
- Should Munchies sandwich shop introduce an on-line ordering system?
- How might Rosanne Florist compete with the local supermarkets in the cut-flower market?
- Should the owner of the Identity hair salon close her shop and work from home?
- Should the Bespoke Designs T-shirt manufacturer introduce a computerised stock-control system?
- Should West End Farm open a farm produce shop in order to sell directly to consumers?
- Should the Shoreline campsite invest in some static mobile homes?
- How might the Fitness First sports club increase long term membership?

Proposals for each candidate's investigation must be submitted to CIE for approval and the final report will be marked externally. Teacher input into the choice of business and title will be an essential part of ensuring that candidates embark on appropriate investigations.

Getting Started

Early on in the planning, Centres will need to decide how they want to teach and facilitate candidates work for this paper. Time spent on preparation will save time and problems later, as well as reinforcing business knowledge in areas such as market research techniques, methodologies and ethics. Departments may plan to spend one hour per week for a half term on this preparation. Typically, research methodologies and data collection skills will need to be practiced, as well as familiarisation with business report format, use of referencing and appendices. At the outset, a culture of working co-operatively with businesses should be encouraged, rather than students adopting a purely outside observer role. This could be practised by a group investigation, perhaps using an in-house business function, such as the Tuck Shop, in which all potential research sources are considered, with the teacher giving guidance on what constitutes good quality references, e.g. facts worth more than opinion. The practice writing up exercise could be undertaken individually,

using group primary and secondary data. Candidates will need guidance on how to use the data collected, to argue for and against a range of possible solutions. Most importantly, not to make assumptions about the probable outcome from the start, as this will be obvious to the examiner. A practice exercise will be an excellent time and opportunity to raise the problem of plagiarism and the necessity of attributing data which has not been solely obtained by the candidate. Feedback in this instance could be from the teacher and/or peer review.

The vital thing is that Centres find a way for teaching this unit that suits their own needs. As the final marking will be done by CIE, it is important to remember that much of the stress associated with the latter phases of coursework is avoided – also see guidelines for teachers in terms of supervision and marking of reports.

The Proposal

The ultimate success of the Personal Investigation will very much depend on getting the title right in the first place. Candidates should be encouraged, in the first instance, to identify small/medium sized businesses within which they have, or can make a personal contact. Candidates should be encouraged to carry out a well prepared, in-depth visit to the business, including interviews with key personnel, in order to ascertain the project potential. Teachers may help in this regard, both with suitable questions to ask and areas to investigate within a company, but also with contacts, as many Centres have business links with local companies. It would be possible for more than one candidate to base their investigation on the same company but the problem and focus must be different. Candidates should be prepared to assure confidentiality of data given as this is often an issue. The final report will only be seen by the candidate, teacher and external marker and sensitive data can be excluded for any public presentation of the work. A letter from the head teacher on school letter-head may help in this connection.

The scope of the investigation should be limited by the precise nature of the business problem. Candidates must be encouraged to focus their work finely on answering the question they have set, narrowing the options for specific solutions to this specific business. As with the examples given, proposals will be best expressed as a question which may suggest a number of possible answers or solutions for analysis and recommendations made as to the way forward.

As teachers are not allowed to intervene once the process of writing has begun, the groundwork needs to be carefully laid. It is recommended that teachers plan a couple of individual tutorial sessions with candidates to discuss ideas and establish robust research plans. At this early stage, it is vital that the Assessment Criteria be kept in mind (see introductory section) as, for example, a project without written and numerate analysis cannot go beyond Analysis level 2, so the ability to obtain numerical data in this connection is essential. Candidates should be monitored regularly, ideally once a week, and encouraged to raise any problems or misunderstanding at an early stage. It should be clear that the teacher can be approached for advice.

The Research and Referencing

The quality and choice of references will add greatly to the depth of analysis and credibility of the final recommendations. The ability to differentiate between fact and opinion will be vital, although both may be valuable, for instance sales figures as against the gut feeling of a business owner as to where the market is heading. Historical figures may be accurate, but less useful in a dynamic situation than forecasts based on research. The value of the opinions of commentators in different newspapers and on the internet need to be discussed, in terms of their possible respective worth and freedom from bias, e.g. who are they? what may be the motive behind their comments?

Referencing will be important so that sources of data may be checked if necessary and to enable a critique of the sources. The Harvard System should be used, so that accurate information about books, journal articles and electronic articles may be recorded. For example an internet news article must be referenced by subject, date and precise address, rather than just 'bbc news.com' Any direct quotes must be placed in quotation marks and referenced clearly. It will be well worth spending a session on referencing, perhaps with examples of good/not so good practice, as well as encouraging candidates to research 'Harvard System' on the internet, where there is plenty of advice and material.

The Writing Process

For many candidates, the Personal Investigation will be their first experience of a fully independent extended piece of work, as opposed to GCSE style coursework, in which they may have been carefully guided throughout. Whilst each section must be planned and may be drafted in rough, the final report is best written all at once, so that the narrative flows and ideas follow each other logically. Candidates will complain that the word limit is too constraining, but need to be reassured that selectivity is more important than quantity, where use of data is concerned.

A typical report will comprise the following sections:

- Introduction and Background (to the business and the problem)
- Research Methodology (including justification of methods and sources used)
- Results and Analysis (of a range of possible solutions)
- Conclusions and Recommendations (the best solution, limitations including critique of research)
- Appendices (indexed)

It will be important to set internal deadlines to discourage candidates from leaving everything until the last possible moment. Time must also be allowed for editing, as this should be as time-consuming as the original writing, given the need for selectivity, succinct writing and tight arguments.

Spotting Problems Early

It is inevitable that some candidates will have problems and whilst internal deadlines will help with planning, further support may be needed for those who are not making sufficient progress. Centres will already have procedures in place for this type of problem, but the importance of monitoring candidates while they are completing an extended piece of work cannot be underestimated.

Individual or 'surgery' sessions where candidates are not embarrassed in front of others to admit to problems may be a good solution, but this will depend on circumstances and once the writing stage has begun, work must be fully independent.

Lastly, teachers should encourage candidates to develop a report of which they will be proud and make it clear that this will depend very much on the clarity of thinking, grasping of opportunities, willingness to discuss and hard work that the candidate does during the whole course of the project. Teachers may plan an event for parents and school leaders in which candidates present their projects, or publish reports as a Business Journal, but confidentiality of data must be maintained.

The following brief breakdown on what is included in the highest levels within the assessment criteria for Analysis, Evaluation and Communication may help candidates and teachers and could be given out as an aide-mémoire or checklist.

<p>Analysis Band 5: (24 – 21 marks)</p>	<p>Have you/has the candidate:</p> <ul style="list-style-type: none"> • Carried out substantial analysis of the data, demonstrating insight and depth? –This means the use of a number of carefully chosen written and numerate techniques and business theory to show understanding of what the data shows and the implications for possible solutions. • Justified techniques used? –This means choosing analysis techniques carefully and being able to explain why your methods are appropriate in these circumstances.
<p>Evaluation Band 5: (28 – 25 marks)</p>	<p>Have you/has the candidate:</p> <ul style="list-style-type: none"> • Drawn appropriate conclusions and recommendations fully justified by the evidence, rather than conjecture or assertion? • Have you supported your conclusions with tight arguments? • Have you shown awareness of wider issues and their implications for the business concerned? –This means considering external issues, such as economic or market trends very specifically in the context of the business problem, rather than general comments about the 'credit crunch' or similar.
<p>Communication Band 8: (40 – 36 marks)</p>	<p>A report in this band will clearly communicate:</p> <ul style="list-style-type: none"> • Substantial depth of understanding of relevant business theory and its relevance to the problem investigated and potential solutions • Reasons for choice of research methodology • Realistic recommendations • Valid limitations of both research and findings • Well chosen and reliable references that have been used in the main body of the text <p>The report should show a concerted effort towards answering the question and will contain little or no information that is not directly relevant to the investigation. Language should be measured and succinct, remembering the word limit of 3000 – 3500 to present the outcome of a project that has taken months to complete.</p>

Personal Investigation Administration and Guidelines

The Personal Investigation in a Pre-University context

It is worth remembering that some five or six months after candidates present their Pre-U Personal Investigations in Business and Management and other subjects, they are likely to be writing university assignments employing the same skills, but without the guidance of a teacher. All the practice they have gained during this time will help to ensure their success at university essay writing.

The Personal Investigation in a Pre-U Diploma context

Not all Centres will be aiming for the Diploma at the outset. However, two of its core elements – The Global Perspectives course and the Independent Research Report are intended to be taught as one-year courses and may be pursued independently of the full Diploma. Both of these Pre-U core elements will help develop the research and presentation skills so useful for subject-based Personal Investigations in year two of the subject course.

The Personal Investigation in its syllabus context

In Business and Management, the Personal Investigation is one of three papers and carries a 25% weighting. Emphasis of assessment is on Communication, Analysis and Evaluation, with 40% of the total marks awarded for Communication. The investigation offers candidates the opportunity to focus on an area of the syllabus which interests them and apply these concepts analytically to a 'live' business problem.

Avoidance of plagiarism

Universities and schools have been rightly concerned by the relative ease with which candidates can obtain material from the internet and other sources which can be used illegitimately in the place of personal thought and analysis. The following reminders and suggestions are made in the knowledge that most Centres have their own procedures for dealing with the problem:

- The Cambridge Pre-U course has, by the time candidates are writing the Personal Investigation, developed individual writing and analytical skills to a high degree. Confident candidates do not try and pass off someone else's work as their own.
- Teachers help candidates to formulate unique proposals based on local business contacts.
- The requirement to submit proposed titles to CIE for approval may provide an overview and throw up any duplication of titles at an early stage, even if these originate from different Centres and different series.
- Final reports are externally marked, unlike present A Level coursework.
- Most Centres already have a culture in which plagiarism is seriously discouraged, with appropriate measures to suit their circumstances.

What teachers can do

- Offer detailed early guidance on choice of business, title of investigations, range of research methodologies and appropriate presentation styles.
- Give early individual guidance on structure and content of different sections of the report and requirements of assessment criteria.
- Set internal deadlines to help with planning and keep candidates on track.
- Read a maximum of one draft of the report and indicate which parts of the draft they consider to be weak in terms of the assessment objectives. In the context of the Personal Investigation, this means a complete version of the final report, which will be very similar to the final submission.
- Draw candidates' attention to the importance of the declaration they will be required to make about the work being their own.
- Feel confident, in the light of these measures, about countersigning candidates' declarations.

What teachers cannot do

- Check and correct early versions of individual sections or the completed report.
- Contribute research or writing to the candidate's report.

Key to Symbols for Book References and Other Resources

Symbol	Title	Author	Publisher	Date	ISBN
S	<i>Business Studies AS and A level</i>	Peter Stimpson	Cambridge University Press	2002	9780521003674
H	<i>Business Studies (Third Edition)</i>	Dave Hall, Rob Jones & Carlo Raffo	Causeway Press	2004	9781902796833
G	<i>AS & A level Business Studies Through Diagrams</i>	Andrew Gillespie	Oxford University Press	2001	9780199150687
J	<i>An Integrated Approach to Business Studies</i>	Bruce Jewell	Longman	2000	9780582405424
BSR	<i>Business Studies Review</i>		Philip Allan	Various	
CPFS	<i>Curriculum Press Fact Sheets</i>		Curriculum Press	Various	
WL	<i>Working Lunch</i> www.bbc.co.uk				
Bized	www.bized.co.uk				
T100	www.thetimes100.co.uk				
tutor2u	tutor2u http://tutor2u.net				

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