

Content	Key details	Lesson notes made	Revision Notes completed	😊	😐	😞
<b>1.1 enterprise and Entrepreneur ship</b>						
1.1.1 The dynamic Nature of business	<p>Why new business ideas come about:</p> <ul style="list-style-type: none"> <li>● changes in technology</li> <li>● changes in what consumer's want</li> <li>● products and services becoming obsolete.</li> </ul> <p>How new business ideas come about:</p> <ul style="list-style-type: none"> <li>● original ideas</li> <li>● adapting existing products/services/ideas.</li> </ul>					
1.1.2 Risk and Reward	<p>The impact of risk and reward on business activity:</p> <ul style="list-style-type: none"> <li>● risk: business failure, financial loss, lack of security</li> <li>● reward: business success, profit, independence.</li> </ul>					
1.1.3 The role of business enterprise	<p>The role of business enterprise and the purpose of business activity:</p> <ul style="list-style-type: none"> <li>● to produce goods or services</li> <li>● to meet customer needs</li> <li>● to add value: convenience, branding, quality, design, unique selling points.</li> </ul> <p>The role of entrepreneurship:</p> <ul style="list-style-type: none"> <li>● an entrepreneur: organises resources, makes business decisions, takes risks.</li> </ul>					

**1.2 Spotting a business opportunity**

1.2.1 Customer needs	<p>Identifying and understanding customer needs:</p> <ul style="list-style-type: none"> <li>● what customer needs are: price, quality, choice, convenience</li> <li>● the importance of identifying and understanding customers: generating sales, business survival.</li> </ul>					
1.2.2 Market research	<p>The purpose of market research:</p> <ul style="list-style-type: none"> <li>● to identify and understand customer needs</li> <li>● to identify gaps in the market</li> <li>● to reduce risk</li> <li>● to inform business decisions.</li> </ul> <p>Methods of market research:</p> <ul style="list-style-type: none"> <li>● primary research: survey, questionnaire, focus group, observation</li> <li>● secondary research: internet, market reports, government reports.</li> </ul> <p>The use of data in market research:</p> <ul style="list-style-type: none"> <li>● qualitative and quantitative data</li> <li>● the role of social media in collecting market research data</li> <li>● the importance of the reliability of market research data</li> </ul>					

1.2.3 Market segmentation	<p>How businesses use market segmentation to target customers:</p> <ul style="list-style-type: none"> <li>● identifying market segments: location, demographics, lifestyle, income, age</li> <li>● market mapping to identify a gap in the market and the competition.</li> </ul>					
1.2.4 The competitive environment	<p>Understanding the competitive environment:</p> <ul style="list-style-type: none"> <li>● strengths and weaknesses of competitors based on: price, quality, location, product range and customer service</li> <li>● the impact of competition on business decision making.</li> </ul>					
1.3 Putting a business idea into practice						
1.3.1 Business aims and objectives	<p>What business aims and business objectives are.</p> <p>Business aims and objectives when starting up:</p> <ul style="list-style-type: none"> <li>● financial aims and objectives: survival, profit, sales, market share, financial security</li> <li>● non-financial aims and objectives: social objectives, personal satisfaction, challenge, independence and control.</li> </ul> <p>Why aims and objectives differ between businesses.</p>					

<p>1.3.2 Business revenues, costs and profits</p>	<p>The concept and calculation of:</p> <ul style="list-style-type: none"> <li>● revenue</li> <li>● fixed and variable costs</li> <li>● total costs</li> <li>● profit and loss</li> <li>● interest</li> <li>● break even level of output</li> <li>● margin of safety.</li> </ul> <p>Interpretation of break even diagrams:</p> <ul style="list-style-type: none"> <li>● the impact of changes in revenue and costs</li> <li>● break even level of output</li> <li>● margin of safety</li> <li>● profit and loss.</li> </ul>					
<p>1.3.3 Cash and cash flow</p>	<p>The importance of cash to a business:</p> <ul style="list-style-type: none"> <li>● to pay suppliers, overheads and employees</li> <li>● to prevent business failure (insolvency)</li> <li>● the difference between cash and profit.</li> </ul> <p>Calculation and interpretation of cash-flow forecasts:</p> <ul style="list-style-type: none"> <li>● cash inflows</li> <li>● cash outflows</li> <li>● net cash flow</li> <li>● opening and closing balances.</li> </ul>					

1.3.4 Sources of business finance	Sources of finance for a start-up or established small business: <ul style="list-style-type: none"> <li>● short-term sources: overdraft and trade credit</li> <li>● long-term sources: personal savings, venture capital, share capital, loans, retained profit and crowd funding.</li> </ul>					
<b>1.4 Making a business effective</b>						
1.4.1 The options for start-up and small business	The concept of limited liability: <ul style="list-style-type: none"> <li>● limited and unlimited liability</li> <li>● the implications for the business owner(s) of limited and unlimited liability.</li> </ul> The types of business ownership for start-ups: <ul style="list-style-type: none"> <li>● sole trader, partnership, private limited company</li> <li>● the advantages and disadvantages of each type of business ownership.</li> </ul> The option of starting up and running a franchise operation: <ul style="list-style-type: none"> <li>● the advantages and disadvantages of franchising.</li> </ul>					
1.4.2 Business location	Factors influencing business location: <ul style="list-style-type: none"> <li>● proximity to: market, labour, materials and competitors</li> <li>● nature of the business activity</li> <li>● the impact of the internet on location decisions: e-commerce and/or fixed premises.</li> </ul>					

<p>1.4.3 The marketing mix</p>	<p>What the marketing mix is and the importance of each element:</p> <ul style="list-style-type: none"> <li>● price, product, promotion, place.</li> </ul> <p>How the elements of the marketing mix work together:</p> <ul style="list-style-type: none"> <li>● balancing the marketing mix based on the competitive environment</li> <li>● the impact of changing consumer needs on the marketing mix</li> <li>● the impact of technology on the marketing mix: e-commerce, digital communication.</li> </ul>					
<p>1.4.4 Business plan</p>	<p>The role and importance of a business plan:</p> <ul style="list-style-type: none"> <li>● to identify: the business idea; business aims and objectives; target market (market research); forecast revenue, cost and profit; cash-flow forecast; sources of finance; location; marketing mix.</li> </ul> <p>The purpose of planning business activity:</p> <ul style="list-style-type: none"> <li>● the role and importance of a business plan in minimising risk and obtaining finance.</li> </ul>					

**1.5 Understanding external influences**

<p>1.5.1 Business stakeholders</p>	<p>Who business stakeholders are and their different objectives:</p> <ul style="list-style-type: none"> <li>● shareholders (owners), employees, customers, managers, suppliers, local community, pressure groups, the government.</li> </ul> <p>Stakeholders and businesses:</p> <ul style="list-style-type: none"> <li>● how stakeholders are affected by business activity</li> <li>● how stakeholders impact business activity</li> <li>● possible conflicts between stakeholder groups.</li> </ul>					
<p>1.5.2 Technology and business</p>	<p>Different types of technology used by business:</p> <ul style="list-style-type: none"> <li>● e-commerce ● social media ● digital communication ● payment systems.</li> </ul> <p>How technology influences business activity in terms of: ● sales ● costs ● marketing mix.</p>					
<p>1.5.3 Legislation and business</p>	<p>The purpose of legislation:</p> <ul style="list-style-type: none"> <li>● principles of consumer law: quality and consumer rights ● principles of employment law: recruitment, pay, discrimination and health and safety.</li> </ul> <p>The impact of legislation on businesses:</p> <ul style="list-style-type: none"> <li>● cost ● consequences of meeting and not meeting these obligations.</li> </ul>					

1.5.4 The economy and business	<p>The impact of the economic climate on businesses:</p> <ul style="list-style-type: none"> <li>● unemployment, changing levels of consumer income, inflation, changes in interest rates, government taxation, changes in exchange rates.</li> </ul>					
1.5.5 External influences	<p>The importance of external influences on business:</p> <ul style="list-style-type: none"> <li>● possible responses by the business to changes in: technology, legislation, the economic climate.</li> </ul>					
<b><u>2.1 Growing the business</u></b>						
2.1.1 Business Growth	<p>Methods of business growth and their impact:</p> <ul style="list-style-type: none"> <li>● internal (organic) growth: new products (innovation, research and development), new markets (through changing the marketing mix or taking advantage of technology and/or expanding overseas)</li> <li>● external (inorganic) growth: merger, takeover.</li> </ul> <p>The types of business ownership for growing businesses:</p> <ul style="list-style-type: none"> <li>● public limited company (plc)</li> </ul> <p>Sources of finance for growing and established businesses:</p> <ul style="list-style-type: none"> <li>● internal sources: retained profit, selling assets</li> <li>● external sources: loan capital, share capital, including stock market flotation (public limited companies).</li> </ul>					



<p>2.1.2 Changes in business aims and objectives</p>	<p>Why business aims and objectives change as businesses evolve:</p> <ul style="list-style-type: none"> <li>● in response to: market conditions, technology, performance, legislation, internal reasons.</li> </ul> <p>How business aims and objectives change as businesses evolve:</p> <ul style="list-style-type: none"> <li>● focus on survival or growth</li> <li>● entering or exiting markets</li> <li>● growing or reducing the workforce</li> <li>● increasing or decreasing product range.</li> </ul>					
<p>2.1.3 Business and globalisation</p>	<p>The impact of globalisation on businesses:</p> <ul style="list-style-type: none"> <li>● imports: competition from overseas, buying from overseas</li> <li>● exports: selling to overseas markets</li> <li>● changing business locations</li> <li>● multinationals.</li> </ul> <p>Barriers to international trade:</p> <ul style="list-style-type: none"> <li>● tariffs</li> <li>● trade blocs.</li> </ul> <p>How businesses compete internationally:</p> <ul style="list-style-type: none"> <li>● the use of the internet and e-commerce</li> <li>● changing the marketing mix to compete internationally</li> </ul>					

<p>2.1.4 Ethics, the environment and business</p>	<p>The impact of ethical and environmental considerations on businesses:</p> <ul style="list-style-type: none"> <li>● how ethical considerations influence business activity: possible trade-offs between ethics and profit</li> <li>● how environmental considerations influence business activity: possible trade-offs between the environment, sustainability and profit</li> <li>● the potential impact of pressure group activity on the marketing mix.</li> </ul>					
<p><b><u>2.2 Making marketing decisions</u></b></p>						
<p>2.2.1 Product</p>	<p>The design mix:</p> <ul style="list-style-type: none"> <li>● function, aesthetics, cost.</li> </ul> <p>The product life cycle:</p> <ul style="list-style-type: none"> <li>● the phases of the product life cycle</li> <li>● extension strategies.</li> </ul> <p>The importance to a business of differentiating a product/ service.</p>					
<p>2.2.2 Price</p>	<p>Price</p> <ul style="list-style-type: none"> <li>● pricing strategies</li> <li>● influences on pricing strategies: technology, competition, market segments, product life cycle.</li> </ul>					

2.2.3 Promotion	<p>Promotion:</p> <ul style="list-style-type: none"> <li>● appropriate promotion strategies for different market segments: advertising, sponsorship, product trials, special offers, branding</li> <li>● the use of technology in promotion: targeted advertising online, viral advertising via social media, e-newsletters.</li> </ul>					
2.2.4 Place	<p>Place:</p> <ul style="list-style-type: none"> <li>● methods of distribution: retailers and e-tailers (e-commerce).</li> </ul>					
2.2.5 Using the marketing mix to make business decisions	<p>How each element of the marketing mix can influence other elements?</p> <p>Using the marketing mix to build competitive advantage.</p> <p>How an integrated marketing mix can influence competitive advantage.</p>					
<b>2.3 Making operational decisions</b>						
2.3.1 Business operations	<p>The purpose of business operations:</p> <ul style="list-style-type: none"> <li>● to produce goods ● to provide services.</li> </ul> <p><u>Production processes:</u></p> <ul style="list-style-type: none"> <li>● different types: job, batch, flow</li> <li>● the impact of different types of production process: keeping productivity up and costs down and allowing for competitive prices.</li> </ul> <p>Impacts of technology on production:</p> <ul style="list-style-type: none"> <li>● balancing cost, productivity, quality and flexibility.</li> </ul>					

2.3.2 Working with suppliers	<p>Managing stock:</p> <ul style="list-style-type: none"> <li>● interpretation of bar gate stock graphs</li> <li>● the use of just in time (JIT) stock control.</li> </ul> <p>The role of procurement:</p> <ul style="list-style-type: none"> <li>● relationships with suppliers: quality, delivery (cost, speed, reliability), availability, cost, trust</li> <li>● the impact of logistics and supply decisions on: costs, reputation, customer satisfaction.</li> </ul>					
2.3.3 Managing quality	<p>The concept of quality and its importance in:</p> <ul style="list-style-type: none"> <li>● the production of goods and the provision of services: quality control and quality assurance</li> <li>● allowing a business to control costs and gain a competitive advantage.</li> </ul>					
2.3.4 The sales process	<p>The sales process:</p> <ul style="list-style-type: none"> <li>● product knowledge, speed and efficiency of service, customer engagement, responses to customer feedback, post-sales service.</li> </ul> <p>The importance to businesses of providing good customer service.</p>					
<b><u>2.4 Making financial decisions</u></b>						
2.4.1 Business calculations	<p>The concept and calculation of:</p> <ul style="list-style-type: none"> <li>● gross profit</li> <li>● net profit</li> </ul> <p><u>Calculation and interpretation of:</u></p> <ul style="list-style-type: none"> <li>● gross profit margin</li> <li>● net profit margin</li> <li>● average rate of return.</li> </ul>					

<p>2.4.2 Understanding business performance</p>	<p>The use and interpretation of quantitative business data to support, inform and justify business decisions:</p> <ul style="list-style-type: none"> <li>● information from graphs and charts</li> <li>● financial data</li> <li>● marketing data</li> <li>● market data.</li> </ul> <p>The use and limitations of financial information in:</p> <ul style="list-style-type: none"> <li>● understanding business performance</li> <li>● making business decisions.</li> </ul>					
<p><b>2.5 Making human resource decisions</b></p>						
<p>2.5.1 Organisational structures</p>	<p>Different organisational structures and when each are appropriate:</p> <ul style="list-style-type: none"> <li>● hierarchical and flat</li> <li>● centralised and decentralised.</li> </ul> <p>The importance of effective communication:</p> <ul style="list-style-type: none"> <li>● the impact of insufficient or excessive communication on efficiency and motivation</li> <li>● barriers to effective communication.</li> </ul> <p>Different ways of working:</p> <ul style="list-style-type: none"> <li>● part-time, full-time and flexible hours</li> <li>● permanent, temporary, and freelance contracts</li> <li>● the impact of technology on ways of working: efficiency, remote working.</li> </ul>					

2.5.2 Effective recruitment	<p>Different job roles and responsibilities:</p> <ul style="list-style-type: none"> <li>● key job roles and their responsibilities: directors, senior managers, supervisors/team leaders, operational and support staff.</li> </ul> <p>How businesses recruit people:</p> <ul style="list-style-type: none"> <li>● documents: person specification and job description, application form, CV</li> <li>● recruitment methods used to meet different business needs (internal and external recruitment).</li> </ul>					
2.5.3 Effective training and development	<p>How businesses train and develop employees:</p> <ul style="list-style-type: none"> <li>● different ways of training and developing employees: formal and informal training, self-learning, ongoing training for all employees, use of target setting and performance reviews.</li> </ul> <p>Why businesses train and develop employees: ● the link between training, motivation and retention ● retraining to use new technology.</p>					
2.5.4 Motivation	<p>The importance of motivation in the workplace:</p> <ul style="list-style-type: none"> <li>● attracting employees, retaining employees, productivity.</li> </ul> <p><u>How businesses motivate employees:</u></p> <ul style="list-style-type: none"> <li>● financial methods: remuneration, bonus, commission, promotion, fringe benefits</li> <li>● non-financial methods: job rotation, job enrichment, autonomy.</li> </ul>					