

AQA Business



KS5

Welcome to the Business Department

'Congratulations on your GCSE's and welcome to the PHSG Business department. You are joining a successful department that values each and every one of you, in return we ask for your commitment to achieving the best grades possible and working with us to ensure this happens. We look forward to working with you.'

Mr P Goodchild, Mrs V Carter and Mr A Jenkins

Business Department

Five top tips for moving into KS5

1. Download the course specification!
2. Speak with your teachers about websites/apps to help guide your understanding
3. Start your revision early through good notes/ordering your folders
4. KS5 is a massive step forward, you must read/listen outside of the lesson!
5. You are responsible for you, 1% extra effort can lead to significant reward at the end of the two years

Head of Business: Mr P Goodchild

Teachers of Business: Mr P Goodchild, Mrs V Carter and Mr A Jenkins

Recommended Websites:

www.tutor2u.net

www.bbc.co.uk

<https://www.theguardian.com/uk/business>

You are STRONGLY advised to download a news app such as Sky News/BBC news to stay up to date on relevant business news stories

Recommended Books for the course:

In class we use the AQA Business for A-level textbook by Ian Marcouse. Alternative textbooks and some light reading are listed below:

AQA A Level Business 1 3rd Edition (Wolinski and Coates)

AQA A Level Business 2 3rd Edition (Wolinski and Coates)

AQA Business for A Level 1 (Surridge and Gillespie)

AQA Business for A Level 2 (Surridge and Gillespie)

A Level Business Year 1 and 2 Complete Revision and Practice (CGP)

Essential Maths Skills For AS/A Level (Pickerden and Wright)

Revise AS/A Level Business Revision Guide and Workbook (Redfern – Pearson)

The Everything Store: Jeff Bezos and the Age of Amazon (Brad Stone)

Purple Cow: Transform your Business by Being Remarkable (Seth Godin)

Business for Punks: Break all the rules - the Brew Dog way (James Watt)

Exam papers

For students there are a range of past papers available on the shared area (we will go through this at the start of the year) and a paper copy will be issued to all students to help in preparing for the Exam.

Example answers and mark schemes are also available to view.

Business Course information

The Business department is a high achieving department; its focus is on student engagement, progression and enjoyment.

The courses offered is

- *A Level Business, examining body: AQA*
 - *Course specification link: <https://www.aqa.org.uk/subjects/business/as-and-a-level/business-7131-7132>*
 - *Exam structure: Three Two hour exams assessing all 10 units completed at the end of Year 2*

Activity 1:

Review the Year 12 personal learning checklist (PLC) which is attached at the end of this document. What areas might you recognise already?

Activity 2:

Define the following key terms in the table below. They will help you with your studies in advance of September

| Term | Definition | Formula |
|--|------------|---------|
| Operating Profit % | | |
| Total revenue/ Sales revenue or Turnover | | |
| Market capitalisation | | |
| Market size volume | | |
| Market size value | | |
| Market growth | | |
| Sales growth | | |

| | | |
|----------------------------|--|--|
| Market share | | |
| Price elasticity of demand | | |
| Added value | | |
| Labour productivity | | |
| Return on investment % | | |
| Contribution per unit | | |
| Total contribution | | |
| Break-even output | | |
| Margin of safety | | |
| Labour turnover | | |
| Employee retention rate | | |

Exam Key terms

Within your business course you will be assessed through examinations at the end of the course. You will need to know what the command words mean associated to each question. This structure will help you in achieving good outcomes.

Source: <https://www.aqa.org.uk/resources/business/as-and-a-level/business-7131-7132/teach/command-words>

Analyse: Separate information into components and identify characteristics

Calculate: Work out the value of something

Describe: Set out the characteristics

Evaluate: Make a judgement from available evidence

Explain: Set out purposes or reasons

Justify: Support a case with evidence

To what extent: Make a supported judgement on the significance

Expectations of students

The Business department policies are in line with whole school policies.

As a department it is expected students will:

- 1) Act responsibly within lessons and around the department including any external visits
- 2) Work collaboratively with staff
- 3) Respect and care for all resources within the department and 6th form
- 4) Arrive on time to all scheduled lessons, with text books, pens, paper and notes
- 5) Track your own progress using the PLCs relevant to your course
- 6) Submit high standard work and homework, with titles, dates, clear layouts and on time
- 7) Complete exam questions as and when asked, this will assist greatly in achieving the highest grades on offer
- 8) Contribution and participation in the class is essential to achieving the best grades!
- 9) Embrace the course, contribute your ideas, challenge opinions and enjoy

Example Exam question: AQA Specimen Paper 2014 Question 22

'To what extent is training likely to be the best way to improve the performance of a retailer's workforce?' (25 Marks)

Steps

- 1) Identify command words 'To what extent'
- 2) Look for the clue in the question 'the best way' there rarely is one best way!
- 3) Analyse the positive impacts of training on a 'retailer' remain in context!
- 4) Analyse the other methods that might be used to improve the performance of a retailer
- 5) Make a judgement linked back to the question

You will be assessed with the following grid

| Level | Candidate will typically demonstrate | Marks |
|-------|--|---------------|
| 5 | An excellent response overall that is fully focused on key demands of the question and makes judgements built on effective analysis | 21- 25 Marks |
| 4 | A good response overall that focuses on many of the demands of the question and makes a judgement or offers solutions built on analysis | 16 – 20 Marks |
| 3 | A reasonable response overall that focuses on some of the demands of the question with judgements that may not fully focus on the questions et | 11 – 15 Marks |
| 2 | A Limited response overall with little focus on the demands of the question that makes judgements based on limited analysis or focus on the question | 6 – 10 Marks |
| 1 | A weak response overall lacking focus on the question with limited knowledge, judgements and based on assertions | 1 – 5 Marks |

Further support

There are several approaches to understanding how to write a good answer to an exam question. Ultimately it is based on knowledge, application, analysis and evaluation. You should structure your answers clearly.

These approaches may help: <https://www.tutor2u.net/business/blog/aqa-pecan-pie-ajim-answer-planner>

and also: <https://www.tutor2u.net/business/blog/holistic-marking-grids-for-aqa-a-level-business>

Personal Learning Checklist

| AQA A Level Business | Confi dent | Some what Confi dent | Don 't kno w it |
|---|-----------------------|---|------------------------------------|
| 3.1 What is Business? | | | |
| 3.1.1 Understanding the nature and purpose of business | | | |
| Investigate why businesses exist | | | |
| Understand business objectives including profit, growth, survival, cash flow, social/ethical objectives | | | |
| Explain the relationship between mission and objectives | | | |
| Understands common business objectives | | | |
| Explain why businesses set objectives | | | |
| Can measure profit | | | |
| Can calculate revenue and total costs | | | |
| Can explain the importance of profit | | | |
| 3.1.2 Understanding different business forms | | | |
| Can explain reasons for choosing different forms | | | |
| Can explain reasons for changing business forms | | | |
| Can explain sole traders | | | |
| Can explain private limited companies | | | |
| Can explain public limited companies | | | |
| Identify the difference between public and private sector businesses | | | |
| Can explain non profit organisations | | | |
| Understand both limited and unlimited liability | | | |
| Explain and calculate ordinary share capital | | | |
| Explain and calculate market capitalisation | | | |
| Understand the key term dividend | | | |
| Understand the role of shareholders and their reasons for investing | | | |
| Explain the influences on share price and the significance of share price changes | | | |
| Explain the effects of ownership on mission, objectives, decisions and performance | | | |
| 3.1.3 Understanding that businesses operate within an external environment | | | |
| Can explain how external environment can affect costs and demand | | | |
| Explain influence of competition on costs and demand | | | |
| Explain the influence of market conditions on costs and demand | | | |
| Explain the influence of income on costs and demand | | | |
| Explain the impact of interest rates on costs and demand | | | |

| | | | |
|--|--|--|--|
| Explain the impact of demographic factors on costs and demand | | | |
| Explain the impact of environmental issues and fair trade on costs and demand | | | |
| 3.2 Managers, leadership and decision making | | | |
| 3.2.1 Understanding management, leadership and decision making | | | |
| Explain what managers do | | | |
| Explain managers role in setting objectives | | | |
| Explain managers role in analysing and leading | | | |
| Explain managers role in making decisions and reviewing | | | |
| Understand and apply Tannenbaum Schmidt continuum | | | |
| Understand and apply Blake Mouton grid | | | |
| Explain types of management and leadership styles | | | |
| Analyse the effectiveness of different styles of leadership and management | | | |
| 3.2.2 Understanding management and decision making | | | |
| Explain the value of decision making based on data and intuition | | | |
| Explain how scientific decision making can influence decisions | | | |
| Interpret decision trees | | | |
| Calculate expected value and net gains | | | |
| Understand decision making and risk/ reward | | | |
| Understand decision making and uncertainty | | | |
| Understand decision making and opportunity cost | | | |
| Explain the use and value of decision trees in decision making | | | |
| Explain influences on decision making including mission and objective of a firm | | | |
| Explain influences on decision making including ethics and the external environment | | | |
| Explain influences on decision making due to resource constraints | | | |
| 3.2.3 Understanding the role and importance of stakeholders | | | |
| Explain the need to consider stakeholders when making decisions | | | |
| Conduct stakeholder mapping | | | |
| Explain stakeholder needs and possible overlap/ conflict of these needs | | | |
| Explain influences on the relationship with stakeholders | | | |
| Explain how to manage relationships with different stakeholders | | | |
| Explain the role of communication and consultation in managing relationships with stakeholders | | | |

| | | | |
|---|--|--|--|
| 3.3 Decision making to improve marketing performance | | | |
| 3.3.1 Setting marketing objectives | | | |
| Explain the value of setting marketing objectives | | | |
| Identify marketing objectives including sales volume and sales value | | | |
| Identify marketing objectives including market size, market share, sales growth | | | |
| Identify marketing objectives including brand loyalty | | | |
| Explain external and internal influences on marketing objectives and decisions | | | |
| 3.3.2 Understanding markets and customers | | | |
| Explain the value of primary and secondary marketing research | | | |
| Explain qualitative and quantitative data | | | |
| Explain market mapping | | | |
| Calculate market and sales growth | | | |
| Calculate market share and size | | | |
| Explain the value of sampling | | | |
| Interpret marketing data | | | |
| Explain positive and negative correlation and an understanding of the strength of the relationship | | | |
| Understand the concept of confidence intervals | | | |
| Understand extrapolation | | | |
| Explain the value of technology in gathering and analysing data for marketing decision making | | | |
| Interpret price and income elasticity of demand data | | | |
| Analyse the impact of changes in price and income on revenue | | | |
| Explain the value of the concepts of price and income elasticity of demand to marketing decision makers | | | |
| Explain the use of data in marketing decision making and planning | | | |
| 3.3.3 Making marketing decisions: segmentation, targeting, positioning | | | |
| Process and value of segmentation, targeting and positioning | | | |
| Aware of segmentation methods including: demographic, geographic, income, behavioural | | | |
| Explain influences on choosing a target market and positioning | | | |
| Aware of target markets to include niche and mass marketing | | | |
| 3.3.4 Making marketing decisions: using the marketing mix | | | |
| Identify the elements of the marketing mix (7Ps) | | | |

| | | | |
|--|--|--|--|
| Explain the influences on and effects of changes in the elements of the marketing mix | | | |
| Explain product decisions and the value of product portfolio analysis and Boston matrix | | | |
| Explain value of the product life cycle model including extension strategies | | | |
| Explain influences on and the value of new product development | | | |
| Explain pricing decisions including penetration and price skimming | | | |
| Understand decisions about the promotional mix including value of branding | | | |
| Understand distribution decisions should include multi channel distribution | | | |
| Explain decisions relating to other elements of the marketing mix: people, process and physical environment | | | |
| Explain importance and influences on an integrated mix | | | |
| Explain influences including position in product life cycle and the type of product | | | |
| Explain influences including Boston matrix, marketing objectives, target market, competition and positioning | | | |
| Understand the value of digital marketing and e commerce | | | |
| 3.4 Decision making to improve operational performance | | | |
| 3.4.1 Setting operational objectives | | | |
| Explain the value of setting operational objectives | | | |
| Identify operational objectives including costs, quality, speed of response, flexibility | | | |
| Identify operational objectives including dependability, environmental objectives, added value | | | |
| Explain external and internal influences on operational objectives and decisions | | | |
| 3.4.2 Analysing operational performance | | | |
| Interpret operations data | | | |
| Calculate operations data including labour productivity | | | |
| Calculate operations data including unit costs, capacity and capacity utilisation | | | |
| Explain the use of data in operational decision making and planning | | | |
| 3.4.3 Making operational decisions to improve performance: increasing efficiency/productivity | | | |
| Explain the importance of capacity | | | |
| Explain importance of efficiency and labour productivity | | | |

| | | | |
|--|--|--|--|
| Explain how to increase efficiency and labour productivity | | | |
| Explain the benefits and difficulties of lean production | | | |
| Explain JIT operations | | | |
| Explain difficulties in increasing efficiency and labour productivities | | | |
| Identify how to choose the optimal mix of resources including labour/ capital intensive processes | | | |
| Understand how to utilise capacity efficiently | | | |
| Explain how to use technology to improve operational efficiency | | | |
| 3.4.4 Making operational decisions to improve performance: Improving quality | | | |
| Understand the importance of quality | | | |
| Explain methods for improving quality including quality assurance | | | |
| Explain the benefits and difficulties of improving quality | | | |
| Understand the consequences of poor quality | | | |
| 3.4.5 Making operational decisions to improve performance: managing inventory and supply chains | | | |
| Explain ways and value of improving flexibility, speed of response and dependability | | | |
| Understand the role of mass customisation | | | |
| Explain how to manage supply to meet demand and the value of doing so | | | |
| Understand methods of matching supply/demand including outsourcing, temporary employees, producing to order | | | |
| Explain influences on the amount of inventory held | | | |
| Explain role of inventory control including interpreting inventory control charts | | | |
| Explain role of inventory control including lead time, re-order levels, buffer levels, re-order quantities | | | |
| Explain influences on the choice of suppliers | | | |
| Explain how to manage the supply chain effectively and efficiently and the value of this | | | |
| Understand the value of outsourcing | | | |
| 3.5 Decision making to improve financial performance | | | |
| 3.5.1 Setting financial objectives | | | |
| Explain the value of setting financial objectives | | | |
| Explain the concepts of return on investment and understanding proportion of long term funding based on debt | | | |
| Identify the distinction between cash flow and profit | | | |

| | | | |
|--|--|--|--|
| Explain distinction between gross profit, operating profit and profit for the year | | | |
| Explain revenue, costs and profit objectives | | | |
| Explain cash flow objectives | | | |
| Explain objectives for investment (capital expenditure) levels | | | |
| Identify capital structure objectives | | | |
| Explain external and internal influences on financial objectives and decisions | | | |
| 3.5.2 Analysing Financial performance | | | |
| Can construct and analyse budgets and cash flow forecasts including variance analysis | | | |
| Explain the value of budgeting | | | |
| Can construct and interpret break even graphs | | | |
| Apply break even analysis including break even output, margin of safety, contribution and total contribution | | | |
| Can calculate and illustrate effects of changes in price, output and cost on break even chart | | | |
| Explain the value of break even analysis | | | |
| Analyse profitability including ratio analysis of gross profit, profit from operations and profit for the year | | | |
| Explain how to analyse timings of cash inflows and outflows | | | |
| Understand the terms payables and receivables | | | |
| Explain how data is used for financial decision making and planning | | | |
| 3.5.3 Making financial decisions: sources of finance | | | |
| Explain internal and external sources of finance including: debt factoring, overdrafts and retained profits | | | |
| Explain internal and external sources of finance including: share capital, loans and venture capital | | | |
| Explain advantages and disadvantages of different sources of finance for short/long term uses | | | |
| 3.5.4 Making financial decisions: improving cash flow and profits | | | |
| Explain methods of improving cash flow | | | |
| Assess approaches for improving cash flow | | | |
| Explain methods of improving profits and profitability | | | |
| Assess approaches for improving profitability | | | |
| Explain difficulties in improving cash flow and profit | | | |
| 3.6 Decision making to improve HR performance | | | |
| 3.6.1 Setting HR objectives | | | |

| | | | |
|--|--|--|--|
| Explain the value of setting HR objectives | | | |
| Explain HR objectives including employee engagement and involvement | | | |
| Explain HR objectives including talent development, training, diversity | | | |
| Explain HR objectives including alignment of values, number, skills and location of employees | | | |
| Explain internal and external influences on HR objectives | | | |
| Explain hard and soft HRM approaches | | | |
| 3.6.2 Analysing HR performance | | | |
| Calculate and interpret HR data | | | |
| Calculate labour turnover and retention rates | | | |
| Calculate labour productivity, labour costs per unit | | | |
| Calculate employee costs as a percentage of turnover | | | |
| Explain how data is used for HR decision making and planning | | | |
| 3.6.3 Making HR decisions: improving org design and managing HR flow | | | |
| Explain influences on job design including Hackman and Oldham's model | | | |
| Explain influences on organisational design | | | |
| Explain decisions relating to organisational design including authority, span, hierarchy, delegation | | | |
| Explain centralisation and decentralisation influences on organisational design | | | |
| Understand influences on delegation, centralisation and decentralisation | | | |
| Explain the value of changing job and organisational design | | | |
| Explain how managing HR flow helps meet HR objectives | | | |
| Explain HR flow linking to HR plan, recruitment, training, redeployment and redundancy | | | |
| 3.6.4 Making HR decisions: improving motivation and engagement | | | |
| Explain the benefits of motivated and engaged employees | | | |
| Understand theories of motivation including Herzberg, Taylor and Maslow | | | |
| Identify how to improve employee engagement and motivation | | | |
| Explain financial approaches to motivation including piece rate, commission, salary schemes, performance related pay | | | |
| Analyse the value of theories of motivation | | | |
| Explain the use of financial methods of motivation | | | |
| Analyse the use of non financial methods of motivations | | | |

| | | | |
|--|--|--|--|
| Explain the influence on choice and assessment of effectiveness of financial/ non financial reward systems | | | |
| 3.6.5 Making HR decisions: improving employer-employee relations | | | |
| Identify influences on the extent and methods of employee involvement in decision making | | | |
| Explain role of trade unions and works councils in business | | | |
| Explain how to manage and improve employer-employee communications and relations | | | |
| Understand the value of good employer-employee relations | | | |