Revision checklist - Unit 1.1 Setting up a Business

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| Definitions | Content you must know | Advantages and disadvantages |
| * Franchise * Business aims * Market share * Stakeholders * Business planning * Ethical and sustainability * Sole Trader * Partnership * Private Limited company * Limited liability | * What a Business is? * Why Businesses are set up? * Types of business aims, market share, survival, growth, customer satisfaction, ethical and sustainable * Different stakeholders needs, customer, owner, suppliers, employees, local community, government * What is on a business plan and why is one needed? * Aware of risks and what businesses can do to minimise risk * Understand the factors of location, including – availability of raw materials, transport, labour, competition, technology and proximity to market and the costs | * Franchise * Business planning * Sole Trader * Partnership * Private Limited company * Limited liability |

Unit 1.2 Marketing

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| Definitions | Content you must know | Advantages and disadvantages |
| * Market research * Questionnaire * Focus group * E-commerce * Method of distribution * Wholesalers * Retailers | * Why business conduct market research * Products a small business will sell * Relationship between price and demand * The different promotion methods, advertising in local newspapers, the internet, posters, personal recommendation | * Using the following research methods; questionnaire, customer/supplier feedback, focus group, internet research * The different promotion methods, advertising in local newspapers, the internet, posters, personal recommendation * Ecommerce |

Unit 1.3 Finance

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| Definitions | Content you must know | Advantages and disadvantages |
| * Source of finance – Bank Loan, overdraft, family friends, mortgage and government grants * Revenue * Costs * Profit * Cash Flow forecast   **Calculate Profit or Loss**   * Will need a calculator for the exam | * Bank Loan, overdraft, family and friends, mortgage and government grants * Calculate Profit * Interpret a cash flow forecast * Recommend possible solutions to improve cash flow | * Bank Loan, overdraft, family and friends, mortgage and government grants * Lowering price * Of producing a cash flow forecast |

Unit 1.4 People in Business

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| Definitions | Content you must know | Advantages and disadvantages |
| * Full and Part time * Legalisation employers have to be aware of * Monetary motivation * Non-monetary motivation * Internal and External recruitment | * Ways to recruit internally and externally * Factors that determine wages * Monetary benefits * Non-monetary rewards * Suggest ways to motivate staff * Types of legalisation, minimum wage, equal pay act, discrimination laws | * Full and Part time * Internal and external recruitment * Benefits of motivated staff |

1.5 Operations

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| Definitions | Content you must know | Advantages and disadvantages |
| * Job production * Batch Production * Operational efficiency * Quality * Customer service | * Ways to be operationally efficient * Customer expectations of quality * Laws that protect customers * How customer service have improved from advances in ICT | * Job production * Batch Production * Customer service |

Unit 2

2.1 The Business organisation

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| Definitions | Content you must know | Advantages and disadvantages |
| * Merger/ Takeover * Organic Growth * Selling Franchises * Public Limited Companies * Private Limited Companies * Social objectives | * How growth can impact different stakeholders * Changes in objectives as a Business grows * The importance of choosing the right location | * Expanding a business * Merger/ Takeover * Organic Growth * Selling Franchises * Public Limited Companies * Private Limited Companies * Social objectives |

2.2 Marketing

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| Definitions | Content you must know | Advantages and disadvantages |
| * Product portfolio * Product lifecycle * Price skimming * Price penetration * Competitive pricing * Cost plus pricing * Loss leaders * Channels of distribution * Promotional methods – advertising, sales promotion, sponsorship, direct marketing | * Stages in product lifecycle * How a business can broaden lifecycle (extension strategies) * Factors that influence a pricing decision * Promotional methods – advertising, sales promotion, sponsorship, direct marketing * Different Channels of distribution | * Promotional methods – advertising, sales promotion, sponsorship, direct marketing |

2.3 Finance

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| Definitions | Content you must know | Advantages and disadvantages |
| * Sources of finance – retained profit, Loans, share issue, selling unwanted assets * Profit and Loss Account * Balance sheet * Asset * Liability * Capital * Liquidity | * Sources of finance – retained profit, Loans, share issue, selling unwanted assets * Different Assets – Current/ Non current * Different Liabilities - Current/ Non current * Calculate Gross Profit Margin * Net Profit margin, Current ratio, Acid test ratio * Understand Liquidity | * Sources of finance – retained profit, Loans, share issue, selling unwanted assets |

2.4 People in Business

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| Definitions | Content you must know | Advantages and disadvantages |
| * Organisation structure * Layers of management * Span of control * Centralisation and decentralisation * On the job, off the job training | * Centralisation and decentralisation * Staff recruitment process * Appraisals * Performance reviews * Methods to motivate – including management styles and remuneration methods | * Centralisation and decentralisation * Benefits of Induction programmes, on the job and off the job training |

2.5 Operations Management

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| Definitions | Content you must know | Advantages and disadvantages |
| * Flow production * Specialisation * Division of labour * Just in time (JIT) * Lean production * Total Quality Management (TQM) * Quality assurance and quality inspections * Outsourcing | * Flow Production * Just in time * Lean production * How a large business gains an advantage over small businesses * Complexity of large business communicating and producing | * Flow production * Just in time * Lean production * How a large business gains an advantage over small businesses * Complexity of large business communicating and producing * Outsourcing |