



Skills required for A level Business

Research



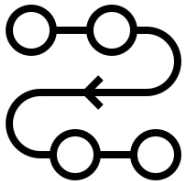
Unlike many subjects, things that we study are changing significantly all the time. You will be given many tasks throughout the two years where you are given a research task to carry out and hopefully you will become very efficient at finding the required information. This could be making use of a variety of sources, for example the internet is the obvious place, but we also use other sources such as Industry reports, academic papers, TV and radio, Newspaper and magazine articles, to name a few.

Demonstrating knowledge and understanding



This is the theory gained during lessons and homework tasks throughout the two year course. It will be assessed in all types of exam questions either alone or with one or more of the other skills necessary for success. There is a vast amount which you need to know and understand and you will be tested on a regular basis. You will need to be re-cap frequently, making sure that overtime you gradually build up your knowledge recall

Analysis



Analysing in business studies involves explaining why something might be the case and the impact that something will have, normally on a business. A using a connectives BLT is often a good way to make sure that you analyse in enough depth. Marks for analysis will be awarded in most of the exam questions throughout all three papers.

| | | | |
|-------|--|--|--|
| Point | Because...(why is that likely to happen) | Leading to...(what are the impacts of this?) | Therefore...(further discussion of the impact) |
|-------|--|--|--|

Application

Application is about applying knowledge and understanding to various business contexts

Evaluation



This skill is of great importance for A level business and is needed for all of the longer questions – any question with more than 12 marks should be a trigger that it is necessary, as should command words such as Justify, discuss and evaluate. It requires a judgement being made on the significance of one thing compared to another.



Task one – Research Task

A recent external event has meant that many UK businesses are struggling to survive. On the other hand, some businesses have benefitted enormously. This event remains a huge threat to many businesses and is of course, the current Covid 19 pandemic. Your first task is to look at two different businesses, one that has benefitted from the impact of Covid 19 and one that has been impacted in a negative way. Summarise your research in the chart below and provide details of the different sources you have used. (website addresses, name of report / newspaper article etc. This should be referenced in brackets after the different pieces of information)

| | | |
|---|----|----|
| Name of business | a. | b. |
| Positive / Negative impact | | |
| <p>Explain how you know that this business has done well / not done well. This might include the following:</p> <ul style="list-style-type: none"> • jobs lost / new jobs having been created • profits increasing / decreasing • branches opening / closing • increased / decreased amount of money being invested on research and development of new products. • Any other evidence that you can find. | | |

Ambition Endeavour Success



Task Two – Research Task

For this task, you are going to carry out further research by watching on youtube “*Peter Jones meets The Constantines and Chris Dawson*” and completing the following tasks:

1. Explain, using examples, how the objectives of the two businesses differ.
2. Research and make notes on the characteristics necessary for entrepreneurs to be successful
3. Explain how the entrepreneurs in the video demonstrate three of these characteristics and for each characteristic, give evidence of how it has been demonstrated. Explain how each characteristic helps towards the success of the organisation.
4. Research another well-known entrepreneur. Prepare a presentation about this person, explaining the entrepreneurial characteristics that they have demonstrated, showing how each helped towards the success of the business.

Ambition Endeavour Success



Task Three – Knowledge and Understanding

Use the following slides to help you answer these questions.

1. *Businesses provide products, which can be either goods or services. What is the difference between the two?*
2. *Name two ways that businesses benefit society.*
3. *What is the transformation process*
4. *What are the four factors of production?*
5. *Give one example of each of the four factors of production on a sheep farm.*
6. *Businesses operate in different sectors of the economy. The three sectors that we need to know about are the primary, secondary and tertiary. Explain the difference between these three sectors.*

What do businesses do?

Businesses exist to provide goods and services on a commercial basis to customers



***Goods are physical products:
e.g. consumer electronics,
industrial components, cars***



***Services are intangible
products: e.g. insurance,
dental services, cleaning***

The Role of Business within Society



**Create
Employment
& Develop
Human
Capital**



**Drive
Innovation
through R&D
and New
Products**



**Pay Taxes on
profits
earned &
collect taxes
for Govt.**



**Create
Wealth by
providing
returns on
investment**

Key Inputs, “the four factors of production” into the Transformation Process

Land

Land = the natural resources available, such as fertile, flat land, sun, rain



Labour

Labour is the people who are involved in the production process



Capital

Capital is the money involved plus any machinery that is needed



Enterprise

Enterprise is the brains behind the business. The person who sets up and runs the business and is responsible for the decision making



| Sector | Description | Examples |
|-----------|--|---|
| Primary | Extraction of natural resources | Mining, farming, energy extraction |
| Secondary | Production of finished goods and components | Manufacturing, food processing, component assembly, raw material processing |
| Tertiary | Providing services to consumers and businesses | Personal services (e.g. beauticians), retailing, household franchises |


[Task four \(analysis\) – follow the link below and watch the video clip.](#)

<https://www.youtube.com/watch?v=FFfScK1ttlY>

Task Five - analysis

Build your own chain of analysis for the following situations.

You do not have to use the BLT connectives, others can be used instead such as resulting in, meaning that, the consequence of this could be

| | This is because... | Leading to | Resulting in |
|--|--------------------|-----------------|-------------------|
| <p>The Lego Group is to invest 1 billion Danish Krone (\$150.5m) in research and development of sustainable raw materials for the company's toys and packaging.</p> | | | |
| <p>M and S sues Aldi over their Cuthbert the Caterpillar cake</p>  | | | |
| <p>Boohoo buys Debenhams's with a loss of 1700 jobs. The online retailer will be closing all stores throughout the country</p> | | | |

Writing in context.

S = SIZE & SECTOR

Factors to consider here include:

- How large is the business (e.g. revenues, number of employees, number of brands & business units)
- What sector does it operate in (e.g. public v private; primary / secondary / service, digital)

C = COMPETITIVE ENVIRONMENT

Factors to consider here include:

- In which markets and market segments does the business operate?
- How attractive are those markets (e.g. market growth rate, market profits, threat of disruption)?
- Who are the main competitors and what are their competitive advantages and disadvantages?
- Who are the key customers and buyers in the market and how much power do they have?
- How is the competitive environment changing (e.g. technological disruption, social change)

O = OWNERSHIP & OBJECTIVES

Factors to consider here include:

- Who owns the business?
- What is the type of ownership? (e.g. private v public)
- Is ownership divorced from control (e.g. most shareholders are not directly involved in day-to-day management)
- What are the key corporate objectives and are these consistent with the aims and mission of the business

R = RESOURCES

Factors to consider here include:

- Are the financial resources of the business adequate to support the chosen business strategy?
- Does the business have sufficient operational / production assets and capacity?
- How capital or labour intensive is the business and what are the implications of this?
- Does the business have intangible resources (e.g. brands, IP) that need protecting / developing?
- Does the business have sufficient resources overall to support planned investment?

E - EXTERNAL ENVIRONMENT

Factors to consider here include:

- What are the key changes in the external environment to which the business needs to respond?
- Overall, does the external environment pose more threats than opportunities (or the other way round)?



Task 6

This task involves comparing two different businesses in terms of SCORE. Use the list on the previous slide to help you do this.

| Name of Business | 1. | 2. |
|------------------|----|----|
| S | | |
| C | | |
| O | | |
| R | | |
| E | | |