

## Revision checklist - Unit 1.1 Setting up a Business

Definitions	Content you must know	Advantages and disadvantages
<ul style="list-style-type: none"> <li>• Franchise</li> <li>• Business aims</li> <li>• Market share</li> <li>• Stakeholders</li> <li>• Business planning</li> <li>• Ethical and sustainability</li> <li>• Sole Trader</li> <li>• Partnership</li> <li>• Private Limited company</li> <li>• Limited liability</li> </ul>	<ul style="list-style-type: none"> <li>• What a Business is?</li> <li>• Why Businesses are set up?</li> <li>• Types of business aims, market share, survival, growth, customer satisfaction, ethical and sustainable</li> <li>• Different stakeholders needs, customer, owner, suppliers, employees, local community, government</li> <li>• What is on a business plan and why is one needed?</li> <li>• Aware of risks and what businesses can do to minimise risk</li> <li>• Understand the factors of location, including – availability of raw materials, transport, labour, competition, technology and proximity to market and the costs</li> </ul>	<ul style="list-style-type: none"> <li>• Franchise</li> <li>• Business planning</li> <li>• Sole Trader</li> <li>• Partnership</li> <li>• Private Limited company</li> <li>• Limited liability</li> </ul>

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## Unit 1.2 Marketing

Definitions	Content you must know	Advantages and disadvantages
<ul style="list-style-type: none"><li>• Market research</li><li>• Questionnaire</li><li>• Focus group</li><li>• E-commerce</li><li>• Method of distribution</li><li>• Wholesalers</li><li>• Retailers</li></ul>	<ul style="list-style-type: none"><li>• Why business conduct market research</li><li>• Products a small business will sell</li><li>• Relationship between price and demand</li><li>• The different promotion methods, advertising in local newspapers, the internet, posters, personal recommendation</li></ul>	<ul style="list-style-type: none"><li>• Using the following research methods; questionnaire, customer/supplier feedback, focus group, internet research</li><li>• The different promotion methods, advertising in local newspapers, the internet, posters, personal recommendation</li><li>• Ecommerce</li></ul>

## Unit 1.3 Finance

Definitions	Content you must know	Advantages and disadvantages
<ul style="list-style-type: none"><li>• Source of finance – Bank Loan, overdraft, family friends, mortgage and government grants</li><li>• Revenue</li><li>• Costs</li><li>• Profit</li><li>• Cash Flow forecast</li></ul> <p><b><u>Calculate Profit or Loss</u></b></p> <ul style="list-style-type: none"><li>• Will need a calculator for the exam</li></ul>	<ul style="list-style-type: none"><li>• Bank Loan, overdraft, family and friends, mortgage and government grants</li><li>• Calculate Profit</li><li>• Interpret a cash flow forecast</li><li>• Recommend possible solutions to improve cash flow</li></ul>	<ul style="list-style-type: none"><li>• Bank Loan, overdraft, family and friends, mortgage and government grants</li><li>• Lowering price</li><li>• Of producing a cash flow forecast</li></ul>

## Unit 1.4 People in Business

Definitions	Content you must know	Advantages and disadvantages
<ul style="list-style-type: none"><li>• Full and Part time</li><li>• Legalisation employers have to be aware of</li><li>• Monetary motivation</li><li>• Non-monetary motivation</li><li>• Internal and External recruitment</li></ul>	<ul style="list-style-type: none"><li>• Ways to recruit internally and externally</li><li>• Factors that determine wages</li><li>• Monetary benefits</li><li>• Non-monetary rewards</li><li>• Suggest ways to motivate staff</li><li>• Types of legalisation, minimum wage, equal pay act, discrimination laws</li></ul>	<ul style="list-style-type: none"><li>• Full and Part time</li><li>• Internal and external recruitment</li><li>• Benefits of motivated staff</li></ul>

## 1.5 Operations

Definitions	Content you must know	Advantages and disadvantages
<ul style="list-style-type: none"><li>• Job production</li><li>• Batch Production</li><li>• Operational efficiency</li><li>• Quality</li><li>• Customer service</li></ul>	<ul style="list-style-type: none"><li>• Ways to be operationally efficient</li><li>• Customer expectations of quality</li><li>• Laws that protect customers</li><li>• How customer service have improved from advances in ICT</li></ul>	<ul style="list-style-type: none"><li>• Job production</li><li>• Batch Production</li><li>• Customer service</li></ul>

## Unit 2

### 2.1 The Business organisation

Definitions	Content you must know	Advantages and disadvantages
<ul style="list-style-type: none"><li>• Merger/ Takeover</li><li>• Organic Growth</li><li>• Selling Franchises</li><li>• Public Limited Companies</li><li>• Private Limited Companies</li><li>• Social objectives</li></ul>	<ul style="list-style-type: none"><li>• How growth can impact different stakeholders</li><li>• Changes in objectives as a Business grows</li><li>• The importance of choosing the right location</li></ul>	<ul style="list-style-type: none"><li>• Expanding a business</li><li>• Merger/ Takeover</li><li>• Organic Growth</li><li>• Selling Franchises</li><li>• Public Limited Companies</li><li>• Private Limited Companies</li><li>• Social objectives</li></ul>

## 2.2 Marketing

Definitions	Content you must know	Advantages and disadvantages
<ul style="list-style-type: none"><li>• Product portfolio</li><li>• Product lifecycle</li><li>• Price skimming</li><li>• Price penetration</li><li>• Competitive pricing</li><li>• Cost plus pricing</li><li>• Loss leaders</li><li>• Channels of distribution</li><li>• Promotional methods – advertising, sales promotion, sponsorship, direct marketing</li></ul>	<ul style="list-style-type: none"><li>• Stages in product lifecycle</li><li>• How a business can broaden lifecycle (extension strategies)</li><li>• Factors that influence a pricing decision</li><li>• Promotional methods – advertising, sales promotion, sponsorship, direct marketing</li><li>• Different Channels of distribution</li></ul>	<ul style="list-style-type: none"><li>• Promotional methods – advertising, sales promotion, sponsorship, direct marketing</li></ul>



## 2.3 Finance

Definitions	Content you must know	Advantages and disadvantages
<ul style="list-style-type: none"> <li>• Sources of finance – retained profit, Loans, share issue, selling unwanted assets</li> <li>• Profit and Loss Account</li> <li>• Balance sheet</li> <li>• Asset</li> <li>• Liability</li> <li>• Capital</li> <li>• Liquidity</li> </ul>	<ul style="list-style-type: none"> <li>• Sources of finance – retained profit, Loans, share issue, selling unwanted assets</li> <li>• Different Assets – Current/ Non current</li> <li>• Different Liabilities - Current/ Non current</li> <li>• Calculate Gross Profit Margin</li> <li>• Net Profit margin, Current ratio, Acid test ratio</li> <li>• Understand Liquidity</li> </ul>	<ul style="list-style-type: none"> <li>• Sources of finance – retained profit, Loans, share issue, selling unwanted assets</li> </ul>

## 2.4 People in Business

Definitions	Content you must know	Advantages and disadvantages
<ul style="list-style-type: none"><li>• Organisation structure</li><li>• Layers of management</li><li>• Span of control</li><li>• Centralisation and decentralisation</li><li>• On the job, off the job training</li></ul>	<ul style="list-style-type: none"><li>• Centralisation and decentralisation</li><li>• Staff recruitment process</li><li>• Appraisals</li><li>• Performance reviews</li><li>• Methods to motivate – including management styles and remuneration methods</li></ul>	<ul style="list-style-type: none"><li>• Centralisation and decentralisation</li><li>• Benefits of Induction programmes, on the job and off the job training</li></ul>

## 2.5 Operations Management

Definitions	Content you must know	Advantages and disadvantages
<ul style="list-style-type: none"><li>• Flow production</li><li>• Specialisation</li><li>• Division of labour</li><li>• Just in time (JIT)</li><li>• Lean production</li><li>• Total Quality Management (TQM)</li><li>• Quality assurance and quality inspections</li><li>• Outsourcing</li></ul>	<ul style="list-style-type: none"><li>• Flow Production</li><li>• Just in time</li><li>• Lean production</li><li>• How a large business gains an advantage over small businesses</li><li>• Complexity of large business communicating and producing</li></ul>	<ul style="list-style-type: none"><li>• Flow production</li><li>• Just in time</li><li>• Lean production</li><li>• How a large business gains an advantage over small businesses</li><li>• Complexity of large business communicating and producing</li><li>• Outsourcing</li></ul>