

# Cambridge Technicals Level 3

## Business

### Unit 1 Business

### Environment



GUISELEY  
SCHOOL

## Revision Checklist

Exam Date:	Tuesday 14 <sup>th</sup> May
Exam Time:	AM
Exam Duration:	2 hours

### External Assessment [Written Examination]

90 Marks

#### Topic Areas to be assessed:

- 1: Understand different types of businesses & their objectives
- 2: Functional areas
- 3: Organisational structures
- 4: Financial information
- 5: Stakeholders
- 6: External influences
- 5: Business planning
6. Assessing Business performance

**Performance Objectives to be assessed:** All Learning Outcomes are assessed through an externally set written examination paper worth a maximum of 90 marks and 2 hours in duration.

The assessment comprises: • multiple choice questions • short answer questions to which responses should be based on businesses that learners have researched. The research brief will be pre-issued. • short answer and extended answer questions based on a given business scenario. Some of the questions will require the skills of analysis and evaluation.



# REVISION TIPS

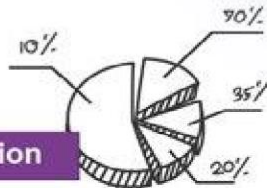


With exam season just on the horizon, you may start to feel a growing sense of anxiety as you begin to tackle your revision pile! Here at [The Training Room](#), we recognise that your success during the exam period depends largely on how well you prepare, this is why we've put together some revision tips to help you achieve the results you want during this exam period!



## Get a headstart on revision

The best way to prepare for the exam period is by getting a head start on your revision. By making a head start on your revision you can benefit from practising past papers, creating a timetable around your life and even enjoying much-needed breaks, all of which helps minimise pre-exam anxiety.



## Get the blood going

Physical activity during the exam period can play an important in increasing productivity! By doing things like going for a run, heading to the gym or even going for a brisk walk you can stay mentally fresh and ready for the big day!



## Find your spot

Find a revision spot that works for you! A great tip for success during the exam period is to find a spot which enables you to revise comfortably without distractions. It can be your bedroom, the local library or even a spot in your school, just remember the lesser the distractions the better!



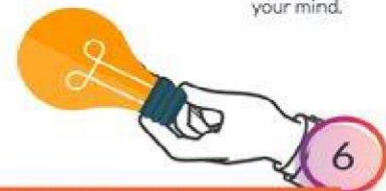
## Put notes around your house

Place notes around your house to help you with revision. It might sound silly but sticking notes around your house in places like the living room, the kitchen or even the toilet, will help you remember things and keep them fresh in your mind.



## Get the right snacks

During the exam period it can be quite easy to fall into bad habits with your eating, especially when it comes to snacks, so if you're going to snack, snack right! By eating healthy snacks such as vegetables and fruits to oily fish you can keep your brain going for longer through good nutrients!



## Do it your awesome way

At the end of the day, everyone has their own way of learning when it comes to revising during the exam period, this is why you should take the time you understanding your way of learning! Not only will this make it easier for you to study it will also help you recall information in the long run.



## Think positive!

Think positive during the exam season as it can go a long way in helping reduce stress and anxiety, all of which helps with feeling relaxed on the day! Often overlooked, for us thinking positive during the exam period is a great way to put yourself in the right frame of mind.



## Examination Command Words

Word(s)	Students will...
<b>Analyse</b>	<ul style="list-style-type: none"> <li>▪ Separate or break down information into parts and identify their characteristics or elements</li> <li>▪ Explain the pros and cons of a topic or argument and make reasoned comments</li> <li>▪ Explain the impacts of actions using a logical chain of reasoning</li> </ul>
<b>Annotate</b>	<ul style="list-style-type: none"> <li>▪ Add information, for example, to a table, diagram or graph until it is final</li> <li>▪ Add all the needed or appropriate parts</li> </ul>
<b>Calculate</b>	<ul style="list-style-type: none"> <li>▪ Get a numerical answer showing how it has been worked out</li> </ul>
<b>Choose</b>	<ul style="list-style-type: none"> <li>▪ Select an answer from options give</li> </ul>
<b>Circle</b>	<ul style="list-style-type: none"> <li>▪ Select an answer from options given</li> </ul>
<b>Compare and contrast</b>	<ul style="list-style-type: none"> <li>▪ Give an account of the similarities and differences between two or more items or situations</li> </ul>
<b>Complete</b>	<ul style="list-style-type: none"> <li>▪ Add all the needed or appropriate parts</li> <li>▪ Add information, for example, to a table, diagram or graph until it is final</li> </ul>
<b>Create</b>	<ul style="list-style-type: none"> <li>▪ Produce a visual solution to a problem (for example: a mind map, flowchart or visualisation)</li> </ul>
<b>Describe</b>	<ul style="list-style-type: none"> <li>▪ Give an account including all the relevant characteristics, qualities or events</li> <li>▪ Give a detailed account of</li> </ul>
<b>Discuss</b>	<ul style="list-style-type: none"> <li>▪ Present, analyse and evaluate relevant points (for example, for/against an argument)</li> </ul>
<b>Draw</b>	<ul style="list-style-type: none"> <li>▪ Produce a picture or diagram</li> </ul>
<b>Evaluate</b>	<ul style="list-style-type: none"> <li>▪ Make a reasoned qualitative judgement considering different factors and using available knowledge/experience</li> </ul>
<b>Explain</b>	<ul style="list-style-type: none"> <li>▪ Give reasons for and/or causes of</li> <li>▪ Use the words or phrases such as 'because' or 'therefore' or 'this means that' in answers</li> </ul>
<b>Fill in</b>	<ul style="list-style-type: none"> <li>▪ Add all the needed or appropriate parts</li> <li>▪ Add information, for example, to a table, diagram or graph until it is final</li> </ul>
<b>Identify</b>	<ul style="list-style-type: none"> <li>▪ Select an answer from options given</li> <li>▪ Recognise, name or provide factors or features</li> </ul>
<b>Justify</b>	<ul style="list-style-type: none"> <li>▪ Give good reasons for offering an opinion or reaching a conclusion</li> </ul>
<b>Label</b>	<ul style="list-style-type: none"> <li>▪ Add information, for example, to a table, diagram or graph until it is final</li> <li>▪ Add all the necessary or appropriate parts</li> </ul>
<b>Outline</b>	<ul style="list-style-type: none"> <li>▪ Give a short account, summary or description</li> </ul>
<b>State</b>	<ul style="list-style-type: none"> <li>▪ Give factors or features</li> <li>▪ Give short, factual answers</li> </ul>

### Topic Revised Key:

<b>D</b>	Developing
<b>S</b>	Secure
<b>M</b>	Mastered

## Topic content

TA	Topic	D	S	M
<b>1</b>	<b>Understand different types of businesses and their objectives</b>			
	<b>Different types of business activity</b> , i.e. • primary • secondary • tertiary			
	<b>Different sectors of operation</b> , i.e. • private • public • third sector			
	<b>Types of Ownership</b> – Sole traders, Partnerships, Private limited companies, Public limited companies and Franchises			
	<b>Legal factors</b> – Limited liability funding, status and control			
	<b>Aims and objectives</b> - survival • financial, i.e. o break-even o increase revenue o reduce cost o make profit • growth, i.e. o physical expansion o increase in market share o increase provision • reputation (e.g. quality, offering value for money, being ethical, social responsibility, being environmentally friendly) • being enterprising (e.g. own boss, pursue own interests, being competitive)			
<b>2</b>	<b>Functional areas</b>			
	<b>Departments</b> - finance • marketing • sales • human resources (HR) • operations management • customer services • business support services • research and development • purchasing/procurement			
	<b>Communication and departments</b> - how business functions interrelate with other business functions			
<b>3</b>	<b>Organisational structures</b>			
	<b>Different organisational structures</b> , i.e. • flat structures • hierarchical/tall structures • centralised • decentralised • matrix			
	<b>Elements of organisational structures</b> , i.e. • division of work • span of control • chain of command			
	<b>How the elements of the organisational structures impact on businesses operations</b> , i.e. • communication paths • accountability, authority and responsibility • delegation • empowerment			
	<b>The use of organisation charts to show:</b> • elements of the organisational structure • the status of different levels of job role, i.e. o chief executive o directors o managers o supervisors o assistants/operatives			
<b>4</b>	<b>Financial information</b>			
	<b>What is meant by the terms:</b> • cost (including fixed and variable costs) • revenue • cash flow • net cash flow • profit • break-even • margin of safety			
	<b>How to calculate:</b> • profit/loss • break-even point/output Elements of organisational structures, i.e. • division of work • span of control • chain of command			
	<b>How to interpret financial statements</b> , i.e. • an income statement • a statement of financial position • a cash flow statement • a cash flow forecast			
	<b>The use of organisation charts to show:</b> • elements of the organisational structure • the status of different levels of job role, i.e. o chief executive o directors o managers o supervisors o assistants/operatives			
	<b>5. Stakeholders</b>			
	<b>Who the main stakeholders are</b> , i.e. • internal stakeholders • external stakeholders and their objectives			
	<b>The ways in which different stakeholder groups attempt to alter business behaviour</b>			
	<b>How businesses respond to the different and sometimes conflicting objectives of different stakeholders</b>			
	<b>The consequences to a business of not listening to its stakeholders</b>			
	<b>6. External influences</b>			
	<b>The factors which comprise the external business environment</b> , i.e. <ul style="list-style-type: none"> <li>• social factors</li> <li>• technological factors</li> <li>• economic factors, i.e. o interest rates o exchange rates o inflation o unemployment o taxation</li> <li>• environmental factors</li> </ul>			

	<ul style="list-style-type: none"> <li>• <b>political factors</b></li> <li>• <b>legal factors</b>, i.e. o the impact of current legislation on business operations, i.e. ♣ Business framework, i.e. Companies Act • Partnership Act ♣ Consumer protection, i.e. • Sale and Supply of Goods Act • Supply of Goods and Services Act • Consumer Protection Act ♣ Employee protection, i.e. • Equality Act • Health and Safety at Work Act • Working Time Directive • National Minimum Wage Act ♣ Data Protection Act ♣ Copyright, Designs and Patents Act ♣ Planning permission o the implications of a business failing to meet legal requirements</li> <li>• <b>ethical factors</b>, i.e. o ways in which a business can act ethically, i.e. ♣ <b>as an employer</b> (e.g. not exploiting workforce, no child labour, pay above minimum wage, living wage, fair working practices)</li> <li>♣ <b>as a trader</b> (e.g. fair trade, fair prices) ♣ environmentally friendly (e.g. waste management, recycling, carbon emissions, transport miles, energy use)</li> <li>♣ <b>sustainability</b> (e.g. fossil fuels, land management, green energy)</li> <li>♣ <b>corporate social responsibility activities</b> (e.g. charity donations, humanitarian aid, health and welfare schemes, sponsorship of sport/educational/ cultural events) o the impact on a business and its stakeholders of operating ethically o the consequences for a business and its stakeholders of not operating ethically</li> <li>• <b>competitor factors</b></li> </ul>			
	<b>To identify how the external environment can impact on a business and its stakeholders</b>			
	<b>How businesses can respond to changes in their external environment</b>			
	<b>7. Business Planning</b>			
	<b>Why businesses plan</b> , i.e. <ul style="list-style-type: none"> <li>• <b>to survive/avoid business failure</b></li> <li>• <b>to develop business ideas</b> o where business ideas come from (e.g. problem solving, innovation or accidental discovery, from employees, inventors, entrepreneurs)</li> <li>• <b>to avoid unnecessary risk</b> o attitude to risk and uncertainty</li> <li>• <b>to meet objectives</b></li> </ul>			
	<b>To determine appropriate sources of finance for businesses</b> , i.e. <ul style="list-style-type: none"> <li>• savings • reserves • overdraft • loan • mortgage • credit card • hire purchase • trade credit • venture capitalist • share issue • crowd-funding</li> </ul>			
	<b>What may be included in a business plan</b> , i.e. <ul style="list-style-type: none"> <li>• <b>identification of a product or service • the unique selling point • how to protect a product/service • prioritisation of business objectives</b></li> <li>• <b>results of market research that has been carried out including competitor analysis</b></li> <li>• <b>identification of financial requirements</b> (e.g. cash flow forecast, the sources of finance to approach)</li> <li>• <b>identification of resource requirements</b> (e.g. finance, number of employees, skills of employees, premises requirements and location)</li> </ul>			
	<b>The use of organisation charts to show:</b> <ul style="list-style-type: none"> <li>• <b>elements of the organisational structure</b></li> <li>• <b>the status of different levels of job role</b>, i.e. o chief executive o directors o managers o supervisors o assistants/operatives</li> </ul>			
<b>8</b>	<b>Assessing Business performance</b>			
	<b>Factors affecting the success/failure of a business</b> , i.e. • financial • non-financial • short-term • long-term			
	<b>How to conduct a SWOT (Strengths, Weaknesses, Opportunities and Threats) analysis</b>			
	<b>How to interpret business performance</b> , i.e. • financial analysis <ul style="list-style-type: none"> <li>• assessment of non-financial data</li> <li>• comparison with organisational objectives</li> <li>• comparison with industrial averages</li> <li>• comparison with similar businesses • trends over time • methods used to improve business performance</li> </ul>			

