

AS Business Studies 9707

1AS: Business and its environment

Recommended Prior Knowledge

There is no requirement for prior knowledge for this unit. Some students may have covered similar material at IGCSE or O Level (if taken) although this will have been in a more descriptive fashion rather than in a problem solving context.

Context

This unit provides a foundation for the subject. Emphasis is on the importance of enterprise, business objectives, structures and stakeholders. Study of these should give candidates ideas that are fundamental to the understanding of how businesses behave and of their objectives. Critical to understanding is how the nature of a business might enable or constrain its development. Some concepts, such as privatisation, mergers and external constraints/enablers are included in 1AL so would not be covered for the AS exams.

Outline

The unit explores the nature of enterprise. It then introduces the different classifications of business activity. In doing so it encourages the observation and analysis by students of local businesses. Student involvement needs to be encouraged for this and all other units. This might be achieved through a Young Enterprise activity. For information on Young Enterprise see: www.ja.org, www.young-enterprise.org.uk Students should also be encouraged to observe business life around them through newspapers, TV and personal observation.

References to the endorsed textbook, A level Business Studies, 2nd edition by Peter Stimpson and Al Farquharson are in RED. Although activities have been selected from this book, these are only suggestions – there are many other useful activities that can be undertaken including others in the endorsed textbook and associated CD-ROMs and in other recommended textbooks

| AO | Learning outcomes | Suggested Teaching activities | Learning resources |
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| 1AS.1 | <p>Enterprise</p> <ul style="list-style-type: none"> The nature of business activity The role of the entrepreneur | <p>Much of the groundwork for this unit could come from a Young Enterprise activity. This could then be developed throughout all of the other units.</p> <p>Alternatively the topics can be covered through work sheets, discussions.</p> <p>Useful activities can be found in:</p> <ul style="list-style-type: none"> Dulip starts a business (page 3) Bangalore Enterprise Blossoms (page 7) <p>It would be useful to do some web research as this would reinforce IT as useful tool for students.</p> | <p>Stimpson Chapter 1</p> <p>There are a number of business start-up sites, local business enterprise organisations would provide a useful starting point. Banks, too, provide useful information.</p> <p>http://www.shell-livewire.org could be very useful for stimulating ideas. There is some useful material in http://www.thetimes100.co.uk/case-study--protecting-marketing-mix-through-intellectual-property-rights--130-361-1.php although this goes beyond the scope of the subject at this stage.</p> <p>Social enterprise could be initiated through http://www.unltd.org.uk. http://www.socialenterprise.org.uk has useful material on social enterprise.</p> |
| | REINFORCEMENT | Revision topics + Rivelino (page 15) | |
| 1AS.2 | <p>Business Structure</p> <ul style="list-style-type: none"> Economic sectors Legal structures | <p>Teaching these topics in a traditional way can be tedious for both students and teachers. Much of the work can be covered by means of assignments undertaken outside of the classroom. Students would be asked to study businesses in their local areas finding examples of businesses from each of the economic sectors and with differing legal structures. They would then be asked, with the aid of textbooks or links</p> | <p>Chapter 2</p> <p>It is intended that an example of a suitable assignment will appear on the teacher support site for business studies.</p> |

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| 1AS.4 | Business Objectives | <p>Revision topics + Small restaurant business expands rapidly (page 53)</p> <p>It would be useful to start with an organisation with which the students are already familiar. This could be school, football team, well known retail outlet, car manufacturer etc. By means of discussion it should be possible to develop ideas about the various types of objectives (short term, long term, strategic, tactical, corporate, departmental, individual) in practical terms. It should be seen that these may conflict and may change over time.</p> <p>There is a wealth of information on Mission Statements, for example, on web sites.</p> <p>Useful activities include:</p> <ul style="list-style-type: none"> • Health and beauty for you (page 56) • Reuters achieving its aims (page 62) | <p>Chapter 4 http://www.bized.co.uk/learn/business/strategy/busaims/index.htm has some useful material relating to objectives. http://www.thetimes100.co.uk/support/download--38.php provides useful case material and activities (although note that PEST analysis is A Level). Also see http://www.thetimes100.co.uk/case-study--supply-chain-from-manufacturing-to-shelf--6-370-1.php. http://www.bized.co.uk/educators/level2/busactivity/lesson/knowing1.htm has some useful material.</p> |
| | <ul style="list-style-type: none"> • Objectives and Business Decisions | <p>Having developed ideas about objectives it is important to develop these in a practical way. It would be useful to take mission statements of well known businesses and get students to translate these into targets for various areas of the business. The school/college may provide interesting ideas. These could be discussed in terms of the extent to which they either enable or constrain, and also discussed in terms of costs and benefits.</p> <p>Students could collect and present examples of where businesses have behaved unethically. They could also explore how ethical behaviour might have an impact on businesses achieving their objectives.</p> | <p>www.smile.co.uk is useful for ethical policies. www.greenpeace.org.uk has ethical and environmental issues. http://en.wikipedia.org/wiki/Business_et_hics provides useful ideas. http://www.qualitydigest.com/magazine/2009/may/article/decline-ethical-behavior-business.html also has useful examples to discuss. http://www.mallenbaker.net/csr/index.php has links to ideas about corporate</p> |

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| | REINFORCEMENT | <p>Revision topics + Is STS plc successful? + Siam Cement Group (page 67)</p> <p>Peugeot's road ahead laid out (page 69)</p> <p>Virgin Atlantic and British Airways to refund passengers (page 70)</p> | <p>responsibility. www.traidcraft.co.uk is a UK based organisation that has an ethical influence in several continents.</p> <p>Exam question Nov 2008 Paper 3 Q 7, June 2006 Paper 2 Q 1(c), June 2008 Paper 3 Q 5 (b) Nov 2007 Paper 1 Q 5(a), Nov 2008 Paper 2 Q 2(d)</p> |
| 1AS.5 | Stakeholders in Business | <p>The concept of stakeholders can be developed through a business simulation. Students are presented with a controversial proposal, for example, the building of a major new factory in a local area. Students are divided into various stakeholder groups, each with their own identifiable objectives and briefing notes (owners, managers, employees, the community, the state). They are then required to discuss whether it is a good idea or not for the development to go ahead.</p> <p>Useful activities include:</p> <ul style="list-style-type: none"> • Tato Nano divides opinion (page 71) • Fury at Bangladesh mine scheme (page 75) • Community-based development projects (page 78) | <p>Chapter 5</p> <p>http://www.bized.co.uk/educators/level2/busactivity/lesson/knowning1.htm has useful material. As does http://www.bized.co.uk/educators/16-19/business/external/presentation/ethics_map.htm .</p> |
| | REINFORCEMENT | <p>Revision topics + Virgin's green idea loses its pulling power (page 81)</p> | <p>Exam question: June 2006 Paper 3 Q 7 (although this was set at AL)</p> |