

## Unit 2 Business Organisations

This unit ties in closely with Unit 1 (Business Activity) and logically follows this unit.

Business Ownership and Control lends itself well to students setting up their own business within the school or college, and this can be a very useful mechanism for a Young Enterprise activity and is also very helpful for developing other aspects of the course (especially marketing, finance and accounting).

Otherwise, teaching of this unit is likely to be textbook based with practical activities.

The topics will require access to a suitable textbook. For this purpose, IGCSE Business Studies Second Edition by Karen Borrington and Peter Stimpson is recommended. Chapters 3, 10, 11, 12 will be very useful, in particular the case studies and exercises as well as activities on the accompanying CD-ROM.

Assessment could be through multiple choice tests or suitable case studies.

Topics covered in this unit are:

- 2.1 Relationship between business objectives, growth and organisation
- 2.2 Types of business organisation
- 2.3 Limited and unlimited liability
- 2.4 Growth of multinational organisations
- 2.5 Control and responsibility
- 2.6 Internal organisation
- 2.7 Communication
- 2.8 Methods of communication
- 2.9 Revision

**The Scheme is neither intended to be prescriptive, nor complete as local conditions will vary: time and resource availabilities are likely to differ considerably. More the Scheme is intended to give ideas to teachers upon which they can build. It is certainly not intended that teachers undertake all of the activities shown in the various units – that would be impossible in the time usually available – but rather to offer choices which could depend on local conditions. Timings for topics have not been given as there is a great deal of variability in time available for the qualification from centre to centre.**

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	Topic	Specification	Chapter	Activities	Resources	Glossary
2.1, 2.2 and 2.3	Relationship between objectives, growth and business organisation. Types of business organisation (sole trader, partnerships, limited companies, franchise, joint venture). Limited and unlimited liability.	Discuss the appropriateness of a given form of organisation in enabling a business to achieve its objectives. Identify and explain the main features of different forms of business organisation.	3	Assignment to identify various types of business in the local area, and to comment on their suitability – could be based on CD-ROM worksheet on types of business. Summary table of advantages and disadvantages of each business type.  May be suitable for a young enterprise activity in which students set up their own limited company within the school/ college. This activity could then be used to tie in many other aspects of the specification.	Yellow pages internet site e.g. <a href="http://www.yellowpages.co.uk">www.yellowpages.co.uk</a>  Assignment sheet  Pro forma table for advantages and disadvantages  Advice on student businesses can be found on <a href="http://www.youngenterprise.org.uk">www.youngenterprise.org.uk</a> or <a href="http://www.jaintl.org">www.jaintl.org</a> .  (CIE offer a young enterprise qualification)	Sole trader Partnership agreement Unincorporated business Limited company Prospectus Franchise Joint venture Limited liability Unlimited liability
2.4	Growth of multinational companies.	Identify reasons for the importance and growth of multinational business.	25	Web based research to find turnover, employees, profits, Total assets, extent of operations of Exxon, McDonalds, Coca Cola, Marks & Spencer, National Airline of students' country using	Use local websites and <a href="http://www.thetimes100.co.uk">www.thetimes100.co.uk</a> to find the statistical information.  IGCSE Business Studies CD-ROM.  See also resource list	Globalisation Multinational

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				Also examine local websites of larger local businesses (could be multinational branches). IGCSE CD-ROM class activity on multinational: Globalisation issues.		
2.5 and 2.6	Control and responsibility Internal organisation (organisation structure hierarchy, span of control)	Draw, interpret and explain simple organisational charts. Comment on the central features of an organisational structure. Discuss the role of management.	10,11	Practical exercises of drawing organisational structures including own school/college, together with case study. CD-ROM worksheet on organisational structure.	Singapore Airlines case study at <a href="http://www.thetimes100.co.uk">www.thetimes100.co.uk</a> (follow links)  IGCSE Business Studies CD-ROM	Centralised Chain of command Decentralised Organisational structures Span of control Delegation Levels of hierarchy

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<p>2.7 and 2.8</p>	<p>Internal and external communication Internal communication (effective communication and its attainment)</p>	<p>Explain the different means of communication. Understand the need for effective communication Be aware of the barriers to effective communication Understand how the barriers to communication can be overcome.  Understand the methods of internal and external communication Comment on the appropriateness of different means of communication.</p>	<p>12</p>	<p>IGCSE CD-ROM Communication class activity.  Practical communication exercises e.g. getting students to draw an object described only in the spoken word by another student.  Investigation into communication methods used in a business (school could be used as an example of a business). Students could analyse what problems exist and how communication could be improved.</p>	<p>IGCSE Business Studies CD-ROM.  Case study Nan Fong Airlines at <a href="http://www.osl-ltd.co.uk">www.osl-ltd.co.uk</a> follow the link to free resources, case studies, also see questions at same site.</p>	<p>Communication nets Internal communication Medium of communication Message One way communication Receiver Sender Transmitter Two way communication</p>
<p>2.9</p>	<p>Revision</p>				<p>Multiple choice questions and case studies from IGCSE CD-ROM and revision websites such as <a href="http://www.learn.co.uk">www.learn.co.uk</a> , <a href="http://www.revisionnotes.co.uk">www.revisionnotes.co.uk</a> and <a href="http://www.bbc.co.uk/schools/gcsebitesize/business/">www.bbc.co.uk/schools/gcsebitesize/business/</a> and revision questions at end of chapters of IGCSE Business Studies textbook. IGCSE Study Guide for Business Studies and IGCSE Business</p>	

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