GCSE Business Exam Preparation

Exam Board: AQA

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Year 11 Business Assessment Schedule

Half Term 1

- TAQ 1 – EAD: Week 3 – 14/9
- Assessment 1 – EAD: Week 6 – 5/10
- Assessment Type: MCQs, 2, 4 and 6 mark questions

Topics	Key Concepts	R	A	G
3.2.1 Technology	• E-commerce – use and how it influences business activity • Digital communication			
3.2.2 Ethical and environmental considerations	• Ethical considerations • Possible trade-off between ethics and profit • Benefits and drawbacks of behaving ethically • Environmental considerations • Benefits and costs of businesses accepting environmental responsibility • Sustainability vs profit			
3.2.3 The economic climate on businesses	• Impact of interest rate changes on businesses that rely on loans • Impact of interest rate changes on consumer and business spending • Impact of changing levels of employment • Impact on demand for products and services of changing incomes			

Revision Questions:

3.2.1 Technology

1. State two ways that ICT has changed how businesses operate
2. Define e-commerce

3.2.2 Ethical and Environmental Considerations

1. Why is there a trade off between ethics and profit?
2. State two ways businesses impact the environment
3. Explain why businesses have to show more concern about the environment then they used to
4. What is meant by sustainability?

3.2.3 The economic climate on businesses

1. Define interest rates
2. Explain two impacts that a rise in interest rates will have on businesses
3. Explain how an increase in the unemployment rate will impact businesses
4. Explain how increased income levels will impact the demand for some goods and sevices

Half Term 2

- TAQ 2 – EAD: Week 10 – 9/11
- Assessment 2 – Week 14 – 7/12
- Assessment Type: Mock exam - Paper 1: 3.1, 3.2, 3.3, 3.4

Topic	Key Concepts	R	A	G
3.1 Business in the Real World				
3.1.1 The purpose and nature of businesses	• Reasons for starting a business • Goods, services, needs & wants • Factors of production • Opportunity cost • Sectors of industry • Characteristics & objectives of entrepreneurs • Dynamic nature of business			
3.1.2 Business ownership	• Sole traders • Partnerships • Private limited companies (Ltd) • Public limited companies (PLC) • Not-for-profit organisations			
3.1.3 Setting business aims and objectives	• What are the business aims and objectives? • Purpose of setting objectives • Reasons for changing objectives			
3.1.4 Stakeholders	• Define and list stakeholders • Objectives of stakeholders • Impact of business activity on stakeholders • Impact and influence stakeholders have on businesses			
3.1.5 Business location	• Factors influencing the location decision of a business			
3.1.6 Business planning	• The purpose of business planning • The main sections within a business plan • Types of costs • Formula for revenue and profit			
3.1.7 Expanding a business	• Methods of expansion • Benefits and drawbacks of expansion • Economies of scale • Diseconomies of scale • Calculate average unit costs			
3.2 Influences on Business				
3.2.1 Technology	• E-commerce • Digital communication			
3.2.2 Ethics and environment	• Trade-off between ethics and profit • Benefits and drawbacks of ethical behaviour • Global warming and use of scarce resources			
3.2.3 Economic climate	• Interest rates – impact on consumers and businesses in terms of spending and saving • Impact of the level of employment • How demand may change as incomes fluctuate			
3.2.4 Globalisation	• How UK businesses compete internationally • Exchange rates – SPICED & WPIDEC			

3.2.5 Legislation	• Employment law – national min wage & equality act • Health and Safety law – health & safety at work act • Consumer law – trade descriptions act			
3.2.6 Competitive environment	• The meaning of a market and competition • Impacts of competition on businesses and situations when businesses face minimal or no competition • The risks businesses face and the reasons why all businesses face uncertainty • Activities businesses can undertake to minimise risks			
3.3 Business Operations				
3.3.1 Production processes	• Job production • Flow production • Lean production – Kaizen, JIT			
3.3.2 The role of procurement	• JIT vs JIC • Factors affecting choice of supplier • Procurement & logistics – efficiency vs lower unit costs • The value of effective supply chain management			
3.3.3 The concept of quality	• Consequences of quality issues • Methods of maintaining consistent quality - TQM			
3.3.4 Good customer services	• Methods of good customer service – e.g. customer engagement • Benefits of good customer service • How ICT has impacted customer service operations			
3.4 Human Resources				
3.4.1 Organisational structures	• Organisational structures – span of control, chain of command, delayering and delegation • Tall or flat organisational structures • Why businesses have organisational structures • Centralisation and decentralisation			
3.4.2 Recruitment and selection of employees	• The need for recruitment • Internal vs external recruitment • Methods of recruitment & selection of employees - job analysis, job description, person specification, & selection methods • Contracts of employment – full time, part time, job share, zero-hour contracts • Benefits of effective recruitment & selection			
3.4.3 Motivating employees	• Benefits of a motivated workforce • Financial methods of motivation – salary, wage, commission and profit sharing • Non-financial methods of motivation – styles of management, training, greater responsibility & fringe benefits			
3.4.4 Training	• Benefits of training the workforce • Types of training undertaken by businesses – induction, on the job and off the job • Benefits and drawbacks of each type of training			

Paper 1 Revision Questions

3.1 Business in the real world

3.1.1 The Purpose and Nature of Businesses

1. Define a business

2. Define an entrepreneur
3. List three characteristics of an entrepreneur
4. List three objectives of an entrepreneur
5. List 3 reasons for starting a business?
6. What is the difference between goods and services?
7. What is the difference between needs and wants?
8. What are the four factors of production
9. Define opportunity cost
10. Define the three sectors of primary, secondary and tertiary and give examples of types of business that operate in each sector
11. What is meant by the dynamic nature of business?

3.1.2 Business Ownership

1. What are the main legal structures for businesses?
2. For each structure list one benefit and one drawback
3. Define limited liability
4. What is the difference between a Ltd and PLC?
5. What is the main aim of a not-for-profit organisation?

3.1.3 Setting Business Aims and Objectives

1. What is the difference between an aim and objective?
2. List 2 main aims and objectives of a new business?
3. Why do businesses set objectives?
4. Why do large businesses have different objectives to small businesses?
5. How can the success of a business be measured?

3.1.4 Stakeholders

1. Define stakeholders
2. List 5 main stakeholders of a business
3. For two stakeholders state their main objective
4. How do stakeholders influence business objectives?
5. State one conflict in objectives between stakeholders

3.1.5 Business Location

1. List 4 factors that would influence the location of a business

3.1.6 Business Planning

1. Define a business plan
2. List the main sections of a business plan
3. State 2 reasons why businesses create business plans
4. State one drawback (challenge) of business planning
5. Explain the difference between fixed and variable costs with an example for each
6. State the formula for total costs
7. State the formula for sales revenue
8. State the formula for profit

3.1.7 Expanding a Business

1. What is the difference between organic growth and inorganic growth?
2. State 2 methods of each type of growth
3. State a benefit and drawback of organic and external growth
4. Define economies of scale
5. What is the difference between purchasing and technical economies of scale?
6. Define diseconomies of scale
7. State three causes of diseconomies of scale
8. Calculate average unit costs

<u>**3.2 Influences on Business**</u>

3.2.4 Technology

3. State two ways that ICT has changed how businesses operate
4. Define e-commerce

3.2.5 Ethical and Environmental Considerations

5. Why is there a trade-off between ethics and profit?
6. State two ways businesses impact the environment
7. Explain why businesses have to show more concern about the environment then they used to
8. What is meant by sustainability?

3.2.6 The economic climate on businesses

5. Define interest rates
6. Explain two impacts that a rise in interest rates will have on businesses
7. Explain how an increase in the unemployment rate will impact businesses

3.2.4 Globalisation

1. Define the term globalisation
2. State one benefit of globalisation for UK businesses
3. State one threat created by globalisation for UK businesses
4. Define exchange rates
5. If the UK is experiencing a high exchange rate (strong £) what is the impact on UK businesses that import and those that export?
6. What does SPICED stand for?

3.2.5 Legislation

1. What are the three main areas of legislation?
2. State two actions (and their impacts) that businesses need to undertake due to UK legislation
3. State two benefits of providing a safe working environment
4. What are the two main employment laws?

3.2.6 Competitive environment

1. Define market share
2. What is a saturated market?
3. State two impacts on businesses of operating in a competitive environment
4. Why do all businesses face risks?
5. State two activities businesses can undertake to minimise the risk they face?

3.3 <u>Business Operations</u>

3.3.1 Production processes

1. What are the two methods of production?
2. Give an example of a product made by each method
3. Outline a benefit and drawback of each method
4. Define lean production
5. What are the main methods of lean production?
6. Why do businesses undertake lean production?

3.3.2 The role of procurement

1. Define procurement
2. Explain the difference between JIC and JIT
3. Outline a benefit and drawback of JIC and JIT
4. State three factors affecting the choice of supplier a business chooses
5. What is the difference between procurement and logistics?
6. State three benefits a business gains from managing the supply chain effectively

3.3.3 The concept of quality

1. Define quality
2. What methods can be used to help maintain quality standards?
3. State two benefits of maintaining quality
4. State two drawbacks of maintaining quality

3.3.4 Good customer services

1. Define customer service
2. Why is good customer service important?
3. What are the dangers of poor customer service?
4. How can businesses offer good customer service?
5. How has ICT allowed customer service to be developed?

3.4 <u>Human resources</u>

3.4.1 Organisational structures

1. Define organisational structure
2. How does having an organisational structure benefit the business?
3. Define span of control
4. Define chain of command
5. State two benefits of having a tall organisational structure

6. State two benefits of having a flat organisational structure
7. Why can a tall organisational structure lead to diseconomies of scale?
8. What is meant by delayering?
9. Why do businesses use delegation?
10. What is the difference between centralisation and decentralisation?
11. When would a centralised structure be the best option?
12. When would a decentralised structure be the best option?
13. Why can decentralisation lead to improved motivation?

3.4.2 Recruitment and selection of employees

1. Why do businesses need to recruit staff?
2. What is the difference between part time and full-time staff?
3. State one benefit of full-time staff
4. State one benefit of part-time staff
5. Define a zero-hour contract
6. What is a job share?
7. What are the two types of recruitment?
8. What are the main methods used for each type?
9. State one benefit and one drawback of each type
10. What is a contract of employment?
11. List the stages of the recruitment and selection process
12. What is the difference between a person specification and job description?
13. State two benefits of an effective recruitment and selection process

3.4.3 Motivating employees

1. Define motivation
2. State two benefits of a motivated workforce
3. Define remuneration
4. What is the difference between a wage and a salary?
5. What factors influence the level of wages/salary paid?
6. Why do businesses increasingly use profit sharing as a method of motivation?
7. What is the name of the payment method when workers are paid based on their level of sales?
8. Define fringe benefits
9. What non-financial methods can be used to motivate staff?

3.4.4 Training

1. State three benefits of training the workforce
2. What are the three methods of training?
3. List one activity that might be undertaken in induction training?
4. State one benefit of induction training
5. State one benefit and one drawback of the other two types of training
6. State the type of business that would undertake each of the other two types of training

<u>Half Term 3</u>

- TAQ 3 – EAD: Week 17 – 11/1
- Assessment 3 – EAD: Week 21 – 8/2
- Assessment Type: Quantitative/calculation questions

Topics	Key Concepts	R	A	G
3.6.1 Sources of finance	• Methods businesses use to raise finance – internal and externals sources of finance • Appropriateness of sources of finance			
3.6.2 Cash flow	• Importance of cash to businesses – consequences of poor cash flow for businesses • Interpreting cash flow forecasts – cash inflows & outflows, net cash flow, opening and closing balance • Solutions to cash flow problems • Difference between cash and profit			
3.6.3 Financial terms and calculations	• Types of costs – fixed, variable & total • Revenue and profit calculations • Main investment projects businesses undertake • Average rate of return calculation • Meaning of break-even and break-even charts • Break-even level of output and margin of safety Benefits & drawbacks of using break-even analysis to businesses			

Revision Questions:

1. How do you calculate opening balance, closing balance and net cash flow?
2. What is a variable cost?
3. What is a fixed cost?
4. Total costs =
5. How do you calculate sales revenue?
6. How do you calculate profit?
7. Give an example of an investment project
8. State the formula for average rate of return
9. A vehicle costs £500 and generates £200 revenue each year for 10 years. What is the ARR?
10. Is a high ARR better than a low ARR?
11. Define break-even
12. Where does break-even occur on a BE chart?
13. What does the margin of safety show?
14. How do you calculate the margin of safety?
15. How do you calculate gross profit?
16. How do you calculate net profit?
17. What is meant by retained profit?
18. What is the formula for gross profit margin?
19. What does it suggest if the gross profit margin has increased?
20. What is the formula for net profit margin?
21. What does it suggest if the net profit margin has decreased?

Half Term 4

- TAQ 4 – EAD: Week 25 – 15/3
- Assessment 4 – Week 22 – 22/2
- Assessment Type: Mock Paper 2: 3.1, 3.2, 3.5, 3.6

Topic	**Key Concepts**	**R**	**A**	**G**
3.1 Business in the Real World	• See concepts under paper 1			
3.2 Influences on Business	• See concepts under paper 1			
3.5 Marketing				
3.5.1 Identifying and understanding customers	• The importance of identifying and satisfying customer needs			
3.5.2 Segmentation	• Types of segmentation –gender, age, income & location • Why businesses use segmentation			
3.5.3 The purpose and methods of market research	• Purpose of market research collection • Primary & secondary research • Qualitative & quantitative research • Market size & market share			
3.5.4 The elements of the marketing mix: price, product, promotion and place (4Ps)	• Pricing methods – price skimming, price penetration, competitive pricing, loss leader & cost plus • Factors influencing choice of pricing • Benefits & risks of developing new products • Product differentiation – USP • Product life cycle and extension strategies • Product portfolio – Boston Matrix • Promotional methods and reasons for promotion • Factors influencing the selection of the promotional mix • Place – channels of distribution – retailers, wholesalers & telesales • Benefits & drawbacks of e-commerce & m-commerce			
3.6 Finance				
3.6.1 Sources of finance	• Methods businesses use to raise finance – internal and externals sources of finance • Appropriateness of sources of finance			
3.6.2 Cash flow	• Importance of cash to businesses – consequences of poor cash flow for businesses • Interpreting cash flow forecasts – cash inflows & outflows, net cash flow, opening and closing balance • Solutions to cash flow problems • Difference between cash and profit			
3.6.3 Financial terms and calculations	• Types of costs – fixed, variable & total • Revenue and profit calculations • Main investment projects businesses undertake • Average rate of return calculation • Meaning of break-even and break-even charts • Break-even level of output and margin of safety • Benefits & drawbacks of using break-even analysis to businesses			
3.6.4 Analysing the financial performance of a business	• How financial statements help assess business performance • Components of the income statement – gross profit, net profit • Components of the statement of financial position – assets & liabilities • Calculate gross profit margin and net profit margin			

<u>Paper 2 Revision Questions</u>

<u>3.1 Business in the real world</u> – see above under paper 1 mock

<u>3.2 Influences on Business</u> – see above under paper 1 mock

3.5 <u>Marketing</u>

3.5.1 Identifying and understanding customers

1. State three reasons why it is important to identify and satisfy customer needs

3.5.2 Segmentation

1. Define segmentation
2. Explain the reason why businesses undertake segmentation
3. State three categories that businesses use to segment the market

3.5.3 The purpose and methods of market research

1. State three pieces of information that businesses try to collect when completing market research
2. Explain two reasons why businesses collect market research
3. Explain the difference between primary and secondary research
4. List three examples of primary research
5. List three examples of secondary research
6. State one benefit and one drawback of primary and secondary research
7. Explain the difference between quantitative data and qualitative data
8. Define market share
9. State the calculation for market share
10. If a business has a 20% market share and their sales are £800,000. What is the market size?

3.5.4 The elements of the marketing mix

1. State the five main pricing methods
2. Which pricing method refers to setting a high price when the product is originally launched?
3. State four factors that might influence what pricing method is undertaken by a business
4. Explain the inverse relationship between price and demand
5. Define product portfolio
6. State one benefit and one risk of developing new products
7. State three factors that businesses have to consider when designing new products
8. Define product differentiation
9. Give an example of a USP
10. State a chain of analysis starting with an increase in brand image (hint – what will this lead to?)
11. Define the product life cycle
12. State the stages of the product life cycle
13. State three examples of extension strategies
14. What are the four sections of the Boston matrix/box?
15. Explain how businesses use the Boston matrix
16. How does the Boston matrix link to the product life cycle
17. Define promotion
18. State two reasons why businesses undertake promotion
19. State four methods of promotion
20. What factors influence the selection of the promotional mix?
21. What is meant by place in the marketing mix?
22. What are the three main channels of distribution
23. What is a wholesaler?
24. What are meant by telesales?
25. Why are businesses increasingly using a direct channel of distribution?
26. How might your choices in the marketing mix change as you expand as a business?
27. What is meant by e-commerce?
28. What is one benefit of e-commerce?
29. What is one drawback of e-commerce?
30. What is m-commerce?
31. What is one benefit of m-commerce?

3.6 <u>Finance</u>

3.6.1 Sources of finance

22. State the main internal sources of finance
23. State the main external sources of finance
24. What is the main benefit and drawback of a loan and retained profit as a source of finance?
25. Which 3 sources of finance would be most suitable for smaller businesses?
26. Which 3 sources of finance would be most suitable for larger and more established businesses?

3.6.2 Cash Flow

1. Define cash flow
2. How do you calculate opening balance, closing balance and net cash flow?
3. Why is a negative cash flow a problem for businesses?
4. Explain one difference between cash and profit

3.6.3 Financial terms and calculations

1. What is a variable cost?
2. What is a fixed cost?
3. Total costs =
4. How do you calculate sales revenue?
5. How do you calculate profit?
6. Give an example of an investment project
7. State the formula for average rate of return
8. A vehicle costs £500 and generates £200 revenue each year for 10 years. What is the ARR?
9. Is a high ARR better than a low ARR?
10. Define break-even
11. Where does break-even occur on a BE chart?
12. What does the margin of safety show?
13. How do you calculate the margin of safety?
14. State the reasons for calculating break-even
15. State the main problem faced when calculating break-even

3.6.4 Analysing the financial performance of a business

1. State one stakeholder who would be interested in financial statements and explain why
2. How do you calculate gross profit?
3. How do you calculate net profit?
4. What is meant by retained profit?
5. What are dividends?
6. What is the formula for gross profit margin?
7. What does it suggest if the gross profit margin has increased?
8. What is the formula for net profit margin?
9. What does it suggest if the net profit margin has decreased?
10. What does the statement of financial position show?
11. Why is the statement of financial position said to be a 'snapshot in time'?
12. What are assets?
13. What are liabilities?
14. What is the difference between creditors and debtors?

<u>GCSE Business Revision and Exam Resources</u>

1. Key Exam Technique:
2. Exam technique videos:
   Bizconsesh

3. Past paper questions: Revision Station

4. Subject knowledge videos: Tutor2u Takingthebiz Bizconsesh

5. Knowledge Organisers:

6. Revision questions:

7. MCQs:

8. Key Terms Flash Cards: