

GCSE Business Studies Handbook



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Course Summary

Examining Board: Edexcel

Theme 1: Investigating small business (*Paper code: 1BS0/01)

- Written examination: 1 hour and 30 minutes
- 50% of the qualification
- 90 marks

Content overview

- Topic 1.1 Enterprise and entrepreneurship
- Topic 1.2 Spotting a business opportunity
- Topic 1.3 Putting a business idea into practice
- Topic 1.4 Making the business effective
- Topic 1.5 Understanding external influences on business

Assessment overview

The paper is divided into three sections:

- Section A: 35 marks
- Section B: 30 marks
- Section C: 25 marks.
- The paper will consist of calculations, multiple-choice, short-answer and extended-writing questions.
- Questions in Sections B and C will be based on business contexts given in the paper.
- Calculators may be used in the examination. Information on the use of calculators during the examinations for this qualification can be found in Appendix 4: Calculators.

Theme 2: Building a business (Paper code: 1BS0/02)

- Written examination: 1 hour and 30 minutes
- 50% of the qualification
- 90 marks

Content overview

- Topic 2.1 Growing the business
- Topic 2.2 Making marketing decisions
- Topic 2.3 Making operational decisions
- Topic 2.4 Making financial decisions
- Topic 2.5 Making human resource decisions

Assessment overview

The paper is divided into three sections:

- Section A: 35 marks
- Section B: 30 marks
- Section C: 25 marks.
- The paper will consist of calculations, multiple-choice, short-answer and extended-writing questions.
- Questions in Sections B and C will be based on business contexts given in the paper.
- Calculators may be used in the examination. Information on the use of calculators during the examinations for this qualification can be found in Appendix 4: Calculators.

Year Planner

Year 9 Business Studies

	Autumn Half Term 1	Autumn Half Term 2
<p>Specification topics that will be completed for this term:</p>	<p>1.1.1 The dynamic nature of business</p> <p>1.1.2 Risk and reward</p> <p>1.1.3 The role of business enterprise</p> <p><i>End of Topic and half term assessments</i></p>	<p>1.2.1 Customer needs</p> <p>1.2.2 Market research</p> <p>1.2.3 Market segmentation</p> <p>1.2.4 The competitive environment</p> <p><i>End of Topic and half term assessments</i></p>
	Spring Half Term 1	Spring Half Term 2
<p>Specification topics that will be completed for this term:</p>	<p>1.3.1 Business aims and objectives</p> <p>1.3.2 Business revenues, costs and profits</p> <p>1.3.3 Cash and cash-flow</p> <p><i>End of Topic and half term assessments</i></p>	<p>1.3.4 Sources of business finance</p> <p>1.4.1 The options for start-up and small businesses</p> <p><i>End of Topic and half term assessments</i></p>
	Summer Half Term 1	Summer Half Term 2
<p>Specification topics that will be completed for this term:</p> <p>Groccer: students will have an opportunity to develop their enterprise skills by creating their own business.</p>	<p>1.4.2 Business location</p> <p>1.4.3 The marketing mix</p> <p>1.4.4 Business plans</p> <p><i>End of Topic and half term assessments</i></p>	<p><i>End of Year assessments</i></p> <p>Groccers</p>

Year 10 Business Studies

	Autumn Half Term 1	Autumn Half Term 2
Specification topics that will be completed for this term:	1.5.1 Business stakeholders 1.5.2 Technology and business 1.5.3 Legislation and business Recap topic 1.1 End of Topic and half term assessments	1.5.4 The economy and business 1.5.5 External 2.1.1 Business growth 2.1.2 Changes in business aims and objectives End of Topic and half term assessments
	Spring Half Term 1	Spring Half Term 2
Specification topics that will be completed for this term:	2.1.3 Business and globalisation 2.1.4 Ethics, the environment and business Recap Topic 1.2 Mock exams in January and End of topic assessments end of half term	2.2.1 Product 2.2.2 Price 2.2.3 Promotion 2.2.4 Place 2.2.5 Using the marketing mix to make business decisions Recap Topic 1.3 End of Topic and half term assessments
	Summer Half Term 1	Summer Half Term 2
Specification topics that will be completed for this term:	2.3.1 Business operations 2.3.2 Working with suppliers 2.3.3 Managing quality Recap: Topic 1.4 End of Topic and half term assessments	2.3.4 The sales process 2.4.1 Business calculations 2.4.2 Understanding business performance End of Year assessments

Year 11 Business Studies

	Autumn Half Term 1	Autumn Half Term 2
Specification topics that will be completed for this term:	2.5.1 Organisational structures 2.5.2 Effective recruitment 2.5.3 Effective training and development	2.5.4 Motivation <i>Recap: Topic 1.5</i> <i>End of Topic and half term assessments</i>
	Spring Half Term 1	Spring Half Term 2
Revision of Theme 1	Revisit old topics to consolidate learning Mock exams in January and end of topic assessments end of half term	Revisit old topics to consolidate learning End of Topic and half term assessments
	Summer Half Term 1	Summer Half Term 2
Revision of Theme 2	Revisit old topics Revision and exam preparation.	GCSE Examinations

Rules and Expectations

The Course and You

As with everything else in life: ***you get out what you put in***. We hope that you will enjoy your studies and if you follow these guidelines you will be given responsibility and rewarded for your hard work:

Course Title	GCSE Business Studies
Start Date	5 th September 2017
Duties	Your duties as an GCSE Student will include but not be limited to: <ol style="list-style-type: none">1. Attend all Business Studies lessons2. Be on time to all lessons3. Set independent goals with your teacher and review them every half term/topic4. Complete and hand in all independent learning/assessments on time5. Be silent and listen to the teacher when they are speaking6. Be silent and listen to your peers when they are speaking7. Respect all fellow class members and the teacher8. Act in a professional manner at all times9. Participate in ALL classroom activities10. Participate in all types of independent and group work11. Take responsibility of completing all unfinished work in your own time12. Act as a role model for all students in the room and in the department.13. MEET ALL DEADLINES!
Classrooms	Class 406/407 at Chelsea Academy, Lots Road, London SW10 0AB
Hours of Work per week	2/3 hours of class time per week A minimum of 60-90 minutes independent learning per week

Behaviour Policy and Character of the Business classroom	<p>The classroom is a professional environment set within the Christian ethos of Chelsea Academy. As a GCSE student you will be required to follow the Christian character of the Academy. Furthermore, your behaviour must be professional at all times:</p> <ol style="list-style-type: none"> 1. Always use professional language and economic terms. 2. Always treat each other with respect 3. Enter your “work place” in a calm and mature fashion ready to learn
Sickness/Absence	<p>If you are absent for any lessons, you are required to catch up on all missed work in your own time and email in any work to meet deadlines.</p>

Resources and Reading

Google Drive lesson presentations and worksheets

If you are absent or cannot attend a lesson for any other reason, or even if you just need to go back over the activities from a lesson, all of the presentations you see on the interactive whiteboard in class are uploaded to Google Drive in a student-friendly version.

This course handbook

At the back of this course handbook, you have all of the vocabulary lists for the three year GCSE. Fill these in as you go along, and make sure you know as many of the words as possible before the final exams.

This handbook also gives you a definitive guide to what you need to do to get an A* with examples of how to evaluate and critically reflect.

Revision guide

During the course, you will be issued with a revision guide, which includes useful tips and strategies to help revise for exams or controlled assessments in all four skill areas (listening, reading, speaking, writing).

BBC Business New

This will have up to date and relevant business news which you can apply to your courses, exams and lessons. Check it as often as you can. - <http://www.bbc.co.uk/news/business>

Dictionaries

There are dictionaries available in every MFL room, as well as in the LRC. It is vital that you get into the habit of looking up and listing words that you do not know as soon as you begin the course. Ideally, you will buy a dictionary for use at home.

Past papers and specimen papers

<http://www.aqa.org.uk/subjects/business-subjects/as-and-a-level/business-studies-2130/past-papers-and-mark-schemes>

A select range of past exam papers and specimen papers are available to download for free on the AQA website. Mark schemes are also available.

YouTube - www.youtube.com

Search “Current affairs” or watch videos on certain areas of interest within the economy. This will help your application skills and evaluation by using the theory and applying it to real world scenarios.

Useful Resources and Reading

Theme 1 and Theme 2 Resources List:

Reference code	Author	Title	Publisher	ISBN
Marcouse 91	Marcouse I.,	Edexcel GCSE 9-1 Business 2nd Edn	Hodder and Stoughton 2017	9781471899355
Worksheet	Marcouse I.,	100 A-Z Business Worksheet for Edexcel GCSE 9-1	A-Z Business Training Ltd. 2017 See www.a-zbusinessstraining.com	
Pearson	Coupland-Smith et a	Edexcel GCSE Business 91	Pearson 2017	9781292179841
Exams Packs	Marcouse I.,	A-Z Business Exam Packs for Edexcel GCSE 9-1	A-Z Business Training Ltd. 2017	

A-Z Business Training Ltd publishes ‘eBus’ 8 times a year. This targets the Edexcel 9-1 GCSE specifically – and is completely free for 2017/18 and 2018/19. Contact Ian Marcouse at marcouse@btopenworld.com 3 Rayleigh Road, London SW19 3RE

Business Review, Hodder Education, Carmelite House, 50 Victoria Embankment, London, EC4Y 0DZ. Email: subscriptions@bookpoint.co.uk. Tel: +44 (0)1235 827827 and ask for magazine subscriptions

Businessstudiesonline.com has a range of quick tasks for students. It’s worth a look, e.g. for online exercises on break-even analysis

Tutor2, at www.tutor2u.net. Wide range of online materials

Extended Curriculum and Future Pathways

Extended curriculum opportunities:

Students will be encouraged to take part in Tycoon in Schools. For further details, see the links below.

There will be visits to high profile business partners in their central London offices.

Progression:

If you'd like to study business, finance or management at university, A-level Business provides an excellent foundation. The skills you learn are also transferable across a broad range of subjects and careers. Whatever you choose to do. It is also the ideal course for any student who is interested in a career in the following professions: management consultancy, Trading, Analyst, Marketing, Teaching, Chartered account and so much more.

Find out more:

Type in this link to the internet to look at the full specification:

<http://www.aqa.org.uk/subjects/business-subjects/as-and-a-level/business-7131-7132>

You will find past papers here:

<http://www.aqa.org.uk/subjects/business-subjects/as-and-a-level/business-studies-2130/past-papers-and-mark-schemes>

Information on Tycoon in schools

<https://www.tycooninschools.com/about>

Why should you choose this subject?

Choosing GCSE Business will enable you to:

- Actively engage in the study of business to develop as effective and independent learners and as critical and reflective thinkers with enquiring minds
- Use an enquiring, critical approach to distinguish between fact and opinion, build arguments and make informed judgements
- Apply your knowledge, understanding and skills to contemporary issues in a range of local, national and global contexts
- Understand the perspectives of a range of different stakeholders in relation to business activity
- Consider the moral issues that arise as a result of the impact of business activity on the environment
- Use your business knowledge, understanding and skills to help you to understand current events and improve your understanding as a global citizen

Things to Do and See

To support your GCSE business course, you should keep up to date with current affairs by reading relevant newspapers and watching the news – BBC News and The Guardian websites are very good for this. Tutor2u Business blog is also great to keep track of developments that relate to the course.

Visiting Other Organisations and Business Guest Speakers

We normally try to visit other businesses or ask guest speakers to come and talk to you at key points in the term. Any ideas for these would be most welcome.

Grocers

The Grocer Gold Awards is a food and drinks awards ceremony like no other. Glitz, prestige, the best in the business competing, topped off with an evening that promises an incredible atmosphere, and only the very best food and drink. It's not hard to see why The Grocer Gold Awards are recognised as the most glamorous and lavish event in the grocery calendar.

International Trips

We will aim to organise one international trip in the transition between AS and A2. The destination will depend on the number of students and relevance to course criteria.

Cadbury Factory

This trip relates to Marketing and Operations. It consists of a tour of the factory in Birmingham and then a range of business workshops.

Coca Cola Factory

Look at the different functions of the organisation linking directly to your course.

Assessment Information

- First assessment: May/June 2019.
- The assessment is 1 hour and 30 minutes.
- The assessment is out of 90 marks.
- Questions will relate to the content that appears in Theme 2 and students may draw on underpinning knowledge and understanding developed through Theme 1 as appropriate.
- The paper is divided into three sections. Section A: 35 marks Section B: 30 marks Section C: 25 marks.
- Students must answer all questions.
- The paper will consist of calculations, multiple-choice, short-answer and extended-writing questions.
- The paper will include questions that target mathematics at a minimum of Key Stage 3 level.
- Questions in Sections B and C will be based on business contexts given in the paper.
- Calculators may be used in the examination. Information on the use of calculators during the examinations for this qualification can be found in Appendix 4: Calculators.

Assessment of Your Work

The following pages include information on how your work is assessed. They include the key Assessment Objectives for the course as well as the scheme of assessment used for marking your coursework. These are very useful documents that you should refer to when producing essays and revising for exams.

Assessment Objectives and QWC

AO1 Demonstrate Knowledge and Understanding

- Demonstrate knowledge and understanding of the specified content.

AO2 Apply Knowledge and Understanding

- Apply knowledge and understanding of the specified content to problems and issues arising from both familiar and unfamiliar situations.

AO3 Analyse

- Analyse economic problems and issues.

AO4 Evaluate

- Evaluate economic arguments and evidence, making informed judgements.

Ten Ways to Improve Evaluation Skills and Marks in Business Studies

What is evaluation?

Evaluation is about making **critical judgments** and coming to **reasoned conclusions** on the basis of the **evidence** that you have in front of you and the **wider knowledge** you can bring to a question.

Strong evaluative answers use **supporting evidence** to justify an argument. **Justifying** an argument carries more marks than making the argument since stating an argument is often a relatively simple task.

Ten Strategies for Improving Your Evaluation Skills in Data Response and Essay Questions

1. Make good use of your **final paragraph** – avoid repetition of points already made
2. Look for **key stem words** in the question – build your evaluation around this
3. Put a business event, a trend, a objectives into a **wider context**
4. Be familiar with different **schools of thought** e.g. globalisation and functional areas
5. Be aware that a singular business event **never happens in isolation** especially in a world where businesses are so closely interconnected.
6. Question the **reliability of the data** you have been given (case studies given)
7. Draw on your **wider knowledge** to provide **supporting evidence and examples**
8. Consider both **short term and longer term consequences** (they are not always the same)
9. Consider both **positive and negative consequences**

Good Evaluative Phrases to Use in an Exam

The following list is not meant to be exhaustive but it does provide examples of 'words and phrases' that candidates might find helpful to get them started in making judgements:

- However
- Hence
- Nevertheless
- Although
- It is likely that
- The tendency is
- But
- In retrospect
- With the benefit of hindsight
- On the other hand
- The data suggest that
- According to the article the writer argues that but

Glossary

You may not have studied Business before and a lot of the language and terms used in the subject may be new to you. It is very important that you keep a detailed glossary of all key terms. In the examination, you will be awarded marks on your use of terminology, so you must learn your key terms.

Write all new words on the following pages and make sure you bring your handbook with you to all lessons, so you can enter any new terms you come across. You should also do this when you are doing your independent learning and reading.

GCSE Business Keywords	
Aims and objectives	Are the things that a business is trying to achieve, such as grow larger, or make more profit
Backwards vertical growth	When a business merges with, or takes over a business that supplies it with goods or services
Business objectives	What the business aims to achieve, and include survival, profit, growth and providing a service
Business plans	A simple plan which sets out details on the products or service being sold, where the finance is to come from to start the business, how the product or service is to be marketed, and the market research to show there is a need for what is being sold
Capital	Money raised to start or develop a business
Deed of partnership	A document setting out the operations of the partnership, including amount of capital to be invested and how profits will be shared
Diversification	When a business merges with or takes over another business with which there is no connection
Dividend	The money paid to a shareholder from the profits of a limited company. This is the reward for the shareholder taking a risk by investing money in the company
Entrepreneur	A person who takes the risk of starting and running a business enterprise
Enterprising characteristics	The features of an entrepreneur, which include being determined, creative and having the ability to take risks

External growth	Growth of a business by takeover or merger
External stakeholders	The local community, suppliers, customers and government
Finance	A business word used instead of money. The finance needed to start a business is the money needed to do so
Forwards vertical growth	When a business merges with, or takes over a business that it supplies good or services to
Growth	Where a business becomes larger, for example by making more products or opening more places where goods and services are sold
Horizontal growth	A merger or takeover where two businesses are involved in a similar operation, e.g. two electrical producers or two shops selling fashion clothing
Internal stakeholders	The business owners and people who work in the business
Limited liability	Where the responsibility for the debts of a business is limited to the amount invested by a shareholder. A feature of private and public limited companies
Limited liability partnerships	Part partnership, part limited company. Owners are members, not partners. They have limited liability and have to make their finances available to the public
Markets	Where a business sells its goods and services
Market share	The share of the total market for a product or service and is shown as a percentage
Merger	Where two or more businesses agree to join together
Operate	A term used to explain how a business works
Organic growth	Growth of a business internally by increasing sales. Sales can be increased in a number of different ways
Partnership	A business owned by between two and twenty partners

Private limited company	A smaller business owned by at least two shareholders. Shares cannot be sold to the general public. Has Ltd after its name
Profit	The difference between revenue and costs
Providing a service	Where a business makes sure that the needs of the customers are being met
Public limited company	A large business where shares can be sold to the general public enabling vast sums of money to be raised to develop the company. Has plc after its name
Resources	The things a business sells needs to make it work, including finance, staff and materials
Satisficing	Making just enough profit to provide the business owner with a decent living. More common in smaller businesses
Shareholders	Are the owners of a private or public limited company
Sleeping partner	A partner who invests in a partnership but has no part in the running of the business
Sole trader	A business owned by one person
Spotting an opportunity	The ability to see the need for a particular product or service that customers need
Stakeholders	Groups or individuals who have an interest in business
Stakeholder group	Owners, employees, customers, suppliers, government, local community
Success	For a business, can take many forms, including making profit, surviving and providing a good service to customers
Survival	When a business just manages to keep going
Takeover	Where a business takes a controlling interest in another business

Unlimited liability	Where the responsibility for all the debts of a business rests with the owners of the business. A feature of sole traders and partnerships
Advertising Campaign	A series of advertisements, often using different advertising media
Advertising Media	The methods by which a business can advertise a product. Includes newspapers, TV and radio
Census Data	Data collected by the Government every 10 years, questioning the entire population on their income, occupation etc.
Competitor Pricing	When a price is set based on prices charged by competitor businesses for a similar product
Cost-Plus Pricing	A pricing method that adds a percentage of profit to the total costs of making a product. This gives the selling price.
Decline	When sales are falling as the product or service is seen by customers as being old and they switch to newer products and services
Design	An important element in a number of different products, especially where style and technology work together
Digital Distribution	The distribution of goods and services digitally by downloading from a website
Focus Groups	Selected small groups of customers who give their opinion on products
Growth	When sales are growing strongly as the new product or service becomes known
Innovation	The improvement on an original idea, which will often involve using new processes. It is closely linked to design, where new ideas can be used in a product due to changes in design
Internal Data	Data already within a business based on past performance
Interview	A question sheet filled in by the person conducting the interview
Introduction	When a product or service is first on sale

Invention	The introduction of a totally new product or feature
Marketing	Finding the needs of consumers and demonstrating how a business fulfill those needs in a way that increases sales
Market Data	Information that helps marketing decisions. It includes data on such things as market shares, changes in demand and the effect of promotions
Market Research	The collection of data on consumer habits to help decision-making in marketing
Market Segmentation	Splitting the market for a product into different parts, or segments
Market Share	The percentage of total sales of a product that a business has made. If a business sells 20,000 products and the total market for that product is 50,000, then the business has a market share of 40%
Maturity	When sales are at their highest level
P's of Marketing Mix	Price, Product, Promotion and Place
Penetration Pricing	When a price is set lower than the competitor businesses. Often used by new businesses to break into a market. This should only be seen as a short-term strategy
Physical Distribution	The distribution of goods using a physical presence such as a shop or office
Point of Sale Promotions	Includes price reductions, loss leaders, competitions and free samples
Primary Research	Data collected first-hand, often in the form of surveys. Sometimes referred to as field research
Product Life Cycle	The life of a product, usually shown as a graph divided up into four stages: introduction; growth; maturity; and decline
Promotional Pricing	Where prices are reduced to give products a boost or to sell off old stock. Most commonly seen as sales in shops
Qualitative Data	Data based on opinions of those being asked

Quantitative Data	Data collected that is based on facts or numbers, usually easier to analyse than qualitative data
Questionnaire	A question sheet filled in by the consumer
Research and Development	Used to help introduce both new and existing products. The research may be testing products in a laboratory or conducting market research by interviewing customers
Secondary Research	The collection of data using research or information provided by others, such as magazines, journals and the internet. Often called desk research
Skimming	Where a new product is more advanced than that of competitors; a price is set high as some customers are willing to pay higher prices to own the newest technology.
Target Market	The group of customers to whom a business aims to sell its products. The target market may be other businesses as well as consumers
Trials	Used to test whether customers will buy a product
Application Form	A form which asks applicants for personal details, experience and skills
Apprenticeship	A long-term development programme for workers to learn job skills while they work through a mixture of on-and-off-the-job training and study. Apprenticeships lead to some kind of vocational qualification
Authority	The power that one person has to make decisions and to control what other workers do
Accountability	The responsibility that a person has for a job meaning that they will take the blame for what goes wrong as well as the credit for what goes well
Award Scheme	A presentation of some kind to recognise somebody's effort
Bonus	An additional payment to workers for achieving a target
Chain of Command	The links in the levels of authority from those at the top with the most authority to those at the bottom with the least
Communication	The transmission of a message

Contract of Employment	A legal agreement between an employer and an employee
Customer Service	The service given to customers, including service at the time of sale and after the sale
CV	A document in which the applicant outlines their personal details, experiences and skills
Delegation	The process of giving a manager authority to a subordinate to make decisions for which that manager is responsible
Development	Long term and is focused on the worker to help to realise their longer-term potential
Digital Communication	The exchange of information electronically
Discrimination	When one worker is treated differently from another for no acceptable reason. There are several unacceptable reasons for different treatment
Employment Agency	An agency that has workers readily available for business hire, usually for a short period of time
Employment Law	Designed to protect workers from employers who may treat them unfairly
Employment Tribunal	A panel that hears cases where employment laws may have been broken and which comes to a decision either in favour of the employer or employee
External Communication	Communication between people in an organisation and others outside that organisation
External Methods of Recruitment	Include websites, newspapers, social media and specialist magazines
External Recruitment	When a job vacancy is filled by employing someone from outside the business
Feedback	The response made by a person who receives a communication
Flexible Working	The practice of people working partly at their place of work and partly elsewhere, perhaps at home or while they are mobile

Formal Communication	Communication that uses the official channels of communication
Fringe Benefits	Additional benefits that workers receive on top of their pay. They include pensions, childcare vouchers, subsidised canteen meals
Full-Time Working	When a person works 35 hours or more per week
Functions	Different types of work that need to be done in business including production, finance and marketing
Group Activities	Usually designed to test how well an applicant works with others
Holiday Entitlement	The amount of paid holiday that a worker can have in a year
Horizontal Communication	Communication between people on the same level of the hierarchy in an organisation
Human Resources	The workers employed by a business
Human Resources Plan	A plan detailing workers a business needs – how many, whether they will be full time or part time, the skills they should have and when they will work
Identifying Human Resource Needs	The activity of thinking about the purposes of human resources, and how many and what types of workers will be needed
Induction Training	Training to introduce a new worker to the business, place of work and their fellow workers as well as their jobs
Informal Communication	Communication that is outside the official channels of communication
Internal Communication	Communication between people employed in the same organisation
Internal Methods of Recruitment	Includes notice boards, word of mouth, company website and emails to staff
Internal Recruitment	When a job vacancy is filled by employing someone who is already an employee of the business

Interviews	Sessions in which the people making the appointment asks questions of the applicants
Job Description	Lists the main duties, tasks and responsibilities of a worker
Layers	The number of levels of authority that there are in a chain of command
Letter of Application	A letter written by the applicant usually explaining why they think they are suitable for the job
Motivation	How workers are encouraged to work hard
Off-the-Job Training	Occurs away from the job. It may still be at the same place of work, or the employee may be sent somewhere else for the training
On-the-Job Training	Occurs at the place of work and while the the worker is doing their job
Organisation Chart	A diagram that shows how the workers are organised in a business and who is in charge of whom
Pay	The money earned by workers as a reward for the work they do
Part-Time Working	When a person works fewer than 35 hours per week
Person Specification	Lists the qualities, qualifications and knowledge that a person should have to do a particular job
Praise	A method of motivating a worker by complimenting their work and so making their work recognised and valued
Productivity	A measure of output per worker. It is the only way of measuring the performance of workers
Professional Development	Includes both vocational and academic development. It involves learning over a long period of time. Workers may learn through external courses with this learning being reinforced by practical activity in the workplace.
Profit Sharing	When workers receive some of the profits made by a business

Recruitment Agency	A specialist agency that carries out all the tasks involved in recruitment and selection of workers on behalf of an organisation
References	Statements from a previous or current employer or other responsible person about the suitability of the applicant for the job
Regulations	Rules imposed on businesses by the government
Retention	When workers can be kept employed by businesses rather than them leaving to work elsewhere
Retention of Workers	When workers choose to stay in a firm rather than move elsewhere
Selection	The process of choosing between applicants for a job
Self-Employment	When people work as their own business, selling their work to buyers who may be consumers or other businesses
Skills Gap	When the business recruits skilled workers because it is short of them
Skills Shortage	Refers to a situation in which businesses cannot recruit workers with the skills they need
Social Media	Online applications that allow people to create and share content to participate
Span of Control	The number of subordinates who report directly to the line manager
Statement of Employment Particulars	Part of the employment contract. It gives details of the terms of employment
Subordinates	The workers that a line manager is responsible for
Temporary Working	When a person only works for a short period of time for an employer, sometimes on a short-term contract or sometimes just on a day-to-day basis as needed
Tests	Activities completed by applicants which check their skills

The Purpose of Human Resources	The work that must be done by human resources. It is usually broken down into a number of different jobs
Trade Union	An employee organisation that exists to represent the interest of its members
Training	Short term and is focused on helping a worker to do his or her job well
Turnover of Labour	A measure of the number of proportion of a staff who leave a firm each year and need replacing
Verbal Communication	Communication by speaking
Vertical Communication	Communication up or down the hierarchy within an organisation
Website	An online location with several pages that can be contacted by internet users through its address
Working Environment	The quality of the physical workplace and its climate
Working Time Directive	A statement of maximum number of hours that a person can be asked to work
Working While Mobile	When people work when they are on the move, travelling or on holiday
Written Communication	Communication by written words and diagrams
Zero-Hours Contracts	Contracts given to employees which do not guarantee any work. The business will call workers if and when they are needed to ask them to come in to work
After-sales service	Advice and help given to a customer after they have bought a product or service
As Described	Means that goods must be as the business described them
Automation	A production process involving machinery that is not controlled by a person but usually controlled by a computer

Batch Production	The process of production where one type of product is made and then production is switched to make a different product
Click and Collect	Ordering online and collecting goods from the store at a later time
Consumer Laws	The area of law which protects the customers of a business. This is mainly through the Consumer Rights Act of 2015
Customer Engagement	The contact between the business and the customer
Customer Service	The name given to an area of business that deals with customer enquiries
E-Commerce	The bringing together of buying and selling electronically
Face to Face Selling	Usually completed in a shop where there is direct contact between buyer and seller
Fit for Purpose	Means that goods must do what they are meant to do
Flow Production	Production of one product that takes place continuously using a production or assembly line. This is sometimes called mass production
Job Production	The process of production where products are made individually
Labour	A factor of production. It is the labour employed by businesses to produce goods and services
Location	The place where a business is sited
Logistics	The management of the transportation and storage of goods
Procurement	The management of purchasing within a business
Product Knowledge	The detailed knowledge of a product or service that staff within a business use to help persuade a customer to buy

Product Processes	The three methods or processes of production – job, batch and flow
Proximity	Means ‘nearness to’. It can refer to proximity to the market, to raw materials and to labour supplies
Quality	About a product being fit for purpose
Quality Assurance	An approach that involves the whole business focusing on quality, thus aiming to prevent quality problems arising
Quality Control	A system for inspecting the quality of the goods or services produced and that they are of a good standard
Raw Materials	Materials that are processed in some way as part of the manufacture of a product
Recalls	When a fault occurs with a product and the business asks for the product to be brought back so it can be repaired or replaced
Returns	Goods which customers take back to the shop because there are problems with the quality of them
Reputation	What customers say and feel about a business. Damage to a reputation can seriously affect a business
Robotics	The use of robots in the process of productions
Satisfactory Quality of Goods	How the goods are made will reflect the price. A high-priced product must be of high quality
Suppliers	Parties who supply goods and/or services to a business
Telesales	Sales completed over the telephone
Transport Infrastructure	The provision of roads, railways, ports and airports in an area for transporting goods and people
Average Rate of Return (ARR)	A method of measuring and comparing the profitability of an investment over the life of the investment

Break-Even Forecast	A prediction about the break-even quantity based on estimates of future sales revenues and costs
Break-Even Quantity	The amount a business must sell to earn enough revenue to just cover its costs so that it does not make a profit nor a loss
Cash	Not simply notes and coins held in the business, but also money in a bank account
Cash Flow Forecast	A statement showing the expected flow of money into and out of a business over a period of time
Closing Balance	The amount of cash left at the end of the month. This becomes the opening balance at the start of the next month
Crowdfunding	Money raised through an appeal to the public
Expenditure	Money that the business pays out
Expenses	The costs of operating a business
Finance Function	Sometimes referred to as the finance department. Only found in larger businesses
Financial Information	Includes details of profit, loss, cash flow, break-even, profit margin and average rate of return. These can be used in helping business decision-making
Fixed Costs	The costs that stay the same as output changes, for example, rent
Gross Profit	Sales minus the cost of sales
Gross Profit Margin	Gross profit divided by sales multiplied by 100
Interest	The amount of money that has to be paid on borrowed money
Income	Money that the business receives

Liquidity	The ability of a business to pay its short-term debts which must be paid in the near future
Loans	The sums borrowed for a certain period at an agreed rate of interest
Loss	Occurs in a business when costs are greater than revenue
Margin of Safety	The amount by which a business' actual output is greater than its break-even output
Negative Cash Flow	When during one month, more cash is flowing out of the business than flowing in
Net Cash Flow	The total inflow minus total outflow
Net Profit	Gross profit minus the expenses of operating the business
Net Profit Margin	Net profit divided by sales multiplied by 100
Opening Balance	The amount of cash available at the beginning of the month that was the closing balance at the end of the previous month
Overdraft	An arrangement with a bank that a business can spend more money than it has in its account
Owners' Capital	Money from savings put in to the business by the owner
Positive Cash Flow	When, during one month, more cash flow is flowing into the business than is flowing out of it.
Profit	The revenue received by a business minus the costs of running the business
Profitability Ratios	Calculations such as gross profit margin and net profit margin which help to interpret data
Retained Profit	Profit that is not distributed to shareholders as dividend

Revenue	The money from sales
Sale of Assets	Items sold by the business
Security	Something of value that is offered to a lender as a form of guarantee of payment
Share Issue	Money raised from investors by selling new shares
Short-Term Debts	The bills that a business has to pay in the near future, for example electricity or rent
Taking on a Partner	Adding a new partner who contributes some new capital
Time Period	The length of time for which the finance is required
Total Costs	The addition of fixed and variable costs
Total Inflow	The total amount of cash flowing into a business
Total Outflow	The total amount of cash flowing out of a business
Trade Credit	When the business has the goods to sell and agrees to pay at some time later
Variable Costs	The costs that change as output changes, for example, wages

Capital	Money or assets such as machines, buildings, vehicles
Child Labour	The use of young children, below the legal age for employment, in order to achieve low-cost production
Climate Change	The process is when average temperatures rise or fall and patterns of weather change

Consumer Income	The total amount of income that all customers in the country receive and which they have available to spend
Customers	Buyers who buy goods and services for the satisfaction or benefit they will get from them. Customers largely buy from retailers
Distribution of Income	Refers to how the income is shared out amongst different people in the community.
Economic Climate	Refers to how well the country is doing in terms of the levels of income and employment
Economic Growth	A period when GDP is rising, causing income and employment to rise
Environmentally Friendly	An adjective that describes consumers and businesses that act to make production sustainable
Ethical Business	Businesses that behave in a morally correct way
Ethical Marketing	Marketing activities that seek to give customers information to make good choices for themselves
Ethics	What is right and what is wrong
Free Trade	The absence of restrictions on trade between countries
Globalisation	The process by which business activity around the world has become increasingly interconnected
Global Warming	The rise in average temperatures that scientists say is taking place
Gross Domestic Product (GDP)	A measure of how much a country produces in a year. It influences the level of income and employment
Income	The amount of money that people receive from work and from assets they own, such as shares and property
International Branding	Creating an image or values for a product that are communicated in countries around the world

International Economic Climate	Refers to what is happening to income and employment in different parts of the world
Level of Employment	The number of people in work in a country
Level of Income	The average income of people in a country
Level of Unemployment	The number of people out of work in a country
Multinational Companies	Businesses that operate in different countries around the world
Non-Renewable Resources	Resources that can only be used once, such as oil
Pollution	Causing harm to the environment including air, land and water
Productivity	A measure of the output of each worker on average
Quota	A limit in terms of weight or value on the amount of a good or service that can be imported
Recession	A period when GDP is falling, causing income and employment to fall
Recycling	When resources are reused produce something
Regulations	Rules about the goods and services that can be sold in a country
Renewable Resources	Resources that can be used more than once, such as wind or water power, or that can be recreated such as crops
Sustainable Production	When production does not lead to the depletion of natural resources
Tariff	A tax on goods or services that is imported

Trade	The import and export of goods and services
Unit Cost	The cost per unit produced. The greater the productivity of workers, the lower the unit cost of production
Waste Disposal	The process of getting rid of unwanted materials