

PiXL Independence

BTEC L3 Business Exploring Business

Student Booklet

KS5

Contents:

- I. Multiple Choice Questions - 20 credits
- II. Short Answer Questions - 40 credits
- III. Wider Reading - 5 credits per summary
- IV. Practical Learning Activities - 10 credits per activity
- V. Practice Controlled Assessment Task - 100 credits

i. Multiple Choice Questions

1) There are different ownership types in business with different liabilities. Identify the odd one out in this list:

- a) Public Limited Company
- b) Sole Trader
- c) Private Limited Company

2) Businesses operate in four different sectors. Identify the missing sector.

- a) quaternary
- b) primary
- c) secondary
- d) ?

3) Industries and businesses operate within the different sectors. Identify the definition which best represents the primary sector?

- a) The industries engaged in production or extraction of natural resources.
- b) The portion of an economy that includes light and heavy industrial manufacturers of finished goods and products from raw materials.
- c) Businesses that provide services but do not make anything.
- d) The portion of an economy that is based on knowledge - applicable to some business activity that usually involves the provision of services.

4) All businesses have stakeholders. Identify the odd one out from this list.

- a) managers
- b) employees
- c) owners
- d) competitors

5) Communication in a business contributes to its success and needs to be appropriate and effective. A PowerPoint presentation to a group of shareholders would be considered...

- a) written communication
- b) spoken communication

6) What do the following descriptions refer to: hierarchical, flat, matrix and holacratic?

- a) functional areas
- b) organisational structures
- c) government departments
- d) culture of the business

7) Businesses are organised in such a way to be efficient and productive. Identify the style of organisation from the following description:

'The structure most often refers to a group project within a large company that uses workers from a variety of departments without actually transferring those workers. Each worker then moves between their day-to-day work and the special project.'

- a) flat
- b) hierarchical
- c) matrix
- d) holacratic

8) Businesses are organised into functional or operational areas. Identify a key functional area that is missing from this list:

- a) Human resources
- b) Research and development
- c) Sales and marketing
- d) Production and quality
- e) IT and administration
- f) Customer service

9) What functional area does the following description refer to?

'The personnel of a business or organisation, regarded as a significant asset in terms of skills and abilities.'

- a) Human resources
- b) IT and administration
- c) Sales and marketing
- d) Customer service

10) Businesses that operate in different sectors have different aims. Looking at the list of aims in the table below, identify the sector the business is most likely to be operating in.

profit maximisation	break-even
survival	growth
market leadership	making profits

- a) not-for-profit
- b) public
- c) private

11) Looking at the list of aims in the table below, identify the sector the business is most likely to be operating in.

service provision	cost control
value for money	service quality

- a) not-for-profit
- b) public
- c) private

12) Businesses use SMART objectives to achieve their aims. Identify the correct 'S'.

- a) Sales
- b) Specific
- c) Shareholders
- d) Statistics

13) Businesses operate in different environments and are influenced by those environments. One such environment is the external environment represented by **PESTLE**. Identify the P in **PESTLE**?

- a) Purchases
- b) Public
- c) Physical
- d) Political

14) 'Economic' is one of the other headings in **PESTLE**. Identify the economic description from below.

- a) automation, improved communications
- b) carbon emissions, waste, recycling, pollution
- c) fiscal, monetary exchange rates, economic growth
- d) spending, debt, social responsibility

15) Businesses operate in competitive environments and there are several factors that influence competitive advantage. Identify the odd one out in the list below:

- a) market structure
- b) pricing policies
- c) market share
- d) market leadership

16) A 'situational analysis' is used to assess a business environment. Identify the correct tools used in such an analysis.

a)	b)	c)	d)
Critical Path analysis SWOT analysis PESTLE analysis Porter's Five Forces analysis	Porter's Five Forces analysis Critical Path analysis 5Cs analysis PESTLE analysis	SWOT analysis 5Cs analysis Ansoff analysis PESTLE analysis	Porter's Five Forces analysis SWOT analysis PESTLE analysis 5Cs analysis

17) There is a relationship between demand, supply and price. Identify the odd one out in the list of influences on **demand** below:

- a) availability of raw materials
- b) affordability
- c) availability of substitutes
- d) competition

18) Identify the odd one out in the list of influences on **supply** below:

- a) logistics
- b) ability to produce profitably
- c) competition for raw materials
- d) marketing

19) Innovation and enterprise play a role in business success. Identify the phrase that represents **enterprise** rather than innovation?

- a) creative process
- b) product or service development
- c) identifying opportunities to develop business activities
- d) adding value to a product

20) There are benefits and risks associated with innovation and enterprise. Identify the odd one out in the list below.

- a) failing to meet operational requirements
- b) improvements to products
- c) cultural problems
- d) failing to achieve a return on investment

ii. Short Answer Questions

Answer the questions that explore the essential content of the unit.

1) A business operates under different ownerships with different forms of liability. Name five types of private ownership.

- i. _____
- ii. _____
- iii. _____
- iv. _____
- v. _____

2) Businesses operate in different industrial sectors. Name the four sectors of business.

- i. _____
- ii. _____
- iii. _____
- iv. _____

3) Complete the grid with the four industrial sectors and explain them.

Sector	Explanation

4) These are some of the stakeholders in a business. Identify them as internal stakeholders (I) or external stakeholders (E).

managers		employees	
suppliers		lenders	
government agencies		pressure groups	
owners		debtors	

5) Businesses structure and organise themselves in different ways. Complete the table below by giving as many advantages and disadvantages as possible.

	Advantages	Disadvantages
Flat		
Hierarchical		
Matrix		
Holocratic		

6) There are different functional or operational areas in a business. Look at the list below and give a brief explanation of each area.

Human Resources	
Research and Development	
Sales	
Customer Service	
Finance	
Production	
Purchasing	
Quality	
Marketing	

7) What are the most common aims and objectives of private sector businesses?

- i. _____
- ii. _____
- iii. _____
- iv. _____
- v. _____
- vi. _____

8) Define the following:

Mission Statement	
Vision and values	
Corporate Social Responsibility (CSR)	
SMEs	

9) What makes objectives SMART?

- S _____
- M _____
- A _____
- R _____
- T _____

10) What are the three environments in which businesses operate?

- i. _____
- ii. _____
- iii. _____

11) What is the definition of a PESTLE Analysis?

12) Complete the table below by giving a further explanation of the key external environment factors.

External Factors	Further Explanation
Political	
Economic	
Social	
Technological	
Environmental	
Legal environment	

13) What are the internal environment factors of a business?

- a) _____
- b) _____
- c) _____

14) The following are all factors of the environment in which businesses operate. Identify whether they are External Environment (EE), Internal Environment (IE) or Competitive Environment (CE).

differentiation		financial services regulation	
automation		ethics	
economic growth		European Union	
corporate culture		corporate social responsibility	
market share		pricing policies	

15) Identify the three different competitive environments.

- i. _____
- ii. _____
- iii. _____

16) What is the definition of a situational analysis?

17) Explain each different tool used in a situational analysis.

PESTLE	
SWOT	
5Cs	
Porter's Five Forces	

18) Define perfect and imperfection competition.

1) Perfect:

2) Imperfect:

19) What are the features of different market structures?

- 1) _____
- 2) _____
- 3) _____

20) List the influences on demand and supply.

Influences on demand	Influences on supply

iii. Wider Reading

Look at the web links below and then summarise the key points in a bullet point format. You should aim for between 5 – 10 significant points from each activity.

1. Ownership and liability.

<https://bizfluent.com/info-8162541-four-types-business-ownership.html>

2. Effective business communications.

<https://www.capitalism.com/effective-business-communication/>

3. Aims and objectives of a business.

<https://strategiccco.com/non-profits-organizations-common-profit-companies/>

4. Situational Analysis.

<https://creately.com/blog/diagrams/what-is-a-situation-analysis/>

5. Market structure.

<https://www.yourarticlelibrary.com/economics/market/market-structure-meaning-characteristics-and-forms-economics/28736>

6. The relationship between demand, supply and price.

<https://www.britannica.com/topic/supply-and-demand>

7. The role and contribution of innovation and enterprise to business success.

<https://www.paggu.com/entrepreneurship/the-importance-of-innovation-in-entrepreneurship/>

iv. Practical Learning Activities

1. **Specification** – Make sure you have the specification and the summary for this unit (ask your teacher for it).
2. **Cue Cards** – Take your specification and the summary of the unit and write down the key essential content for each section on cue cards to help you condense the information for your report.
3. **Learning Aims** – Make sure you know the learning aims in the report and the key content that is assigned to them. This is what you need to include in your report.
4. **Case Study Business** – Choose your two businesses carefully and make sure they meet the criteria and that there is enough information online for you to be able to write in depth about them.
5. **Resources** – Look online for BTEC Level 3 (2016) Exploring Business resources. Some might be free but there are others that you can purchase.
6. **Student Work Examples** – Your teacher will have copies of previous reports by students. Ask to see a selection of these to be able to visualise the end product. Your teacher will also have Sample Marked Learner Work available.

v. Practice Assessment Task

This section will help you practise the tasks and skills you will need to complete your assessment. It gives you the opportunity to apply all the content that you have learnt in the above sections regarding exploring business. It will also enable you to familiarise yourself with the assessment criteria and what you need to include in order to cover the relevant content and access the pass, merit and distinction grades. Your teacher will give you task briefs which will tell you what you have to produce to achieve the assessment criteria but normally this would be in the form of reports and presentations.

For Learning Aims A and B: choose two contrasting businesses to base your report on. One must be a for-profit business and the other a not-for-profit business.

For Learning Aims C, D and E, choose a business to base your report and presentation on.

Make sure that you choose businesses that have enough information on them online to write about. You will need to research thoroughly beforehand and check with your teacher that the businesses you choose meet the criteria set out by BTEC.

Activity One: You are working on Learning Aim A and you are trying to achieve the pass, merit and distinction criteria P1, P2, M1 and D1. You need to write a report about the features of the two different businesses you have chosen and explain what makes them successful.

Learning Aim A: Explore the features of different businesses and what makes them successful		AB.D1 Evaluate the reasons for the success of two contrasting businesses, reflecting on evidence gathered.
A.P1 Explain the features of two contrasting businesses. A.P2 Explain how two contrasting businesses are influenced by stakeholders.	A.M1 Assess the relationship and communication with stakeholders of two contrasting businesses using independent research.	

Learning Aim A: P1 (Pass Criteria) Explain the features of the two businesses. Explain:

- Ownership and liability
- Purpose
- Sector
- Scope
- Size

Learning Aim A: P2 (Pass Criteria) Explain how the two contrasting businesses are influenced by their stakeholders. Explain:

- Internal stakeholders
- External stakeholders
- The influence each type of stakeholder has on the business
- Social media use and virtual communities

Activity Two: You are working on Learning Aim B and you are trying to achieve the pass, Learning Aim A: M1 (Merit Criteria). Assess the relationship and communication with stakeholders of two contrasting businesses using independent research. Assess:

- Shareholder value
- Customers as long-term assets
- Employee involvement
- Corporate social responsibility
- Appropriate presentation and delivery of information to a given audience
- Written presentations – financial, non-financial, formal and informal reports
- Oral presentations – computer projection/PowerPoint with speaker notes

merit and distinction criteria P3, M2 and D1. You need to write a report to investigate how the two businesses you have chosen are organised.

Learning Aim B: P3 (Pass Criteria). Explore the organisation structures, aims and objectives of two contrasting businesses. Identify:

Learning Aim B: Investigate how businesses are organised		AB.D1 Evaluate the reasons for the success of two contrasting businesses, reflecting on evidence gathered.
B.P3 Explore the organisation structures, aims and objectives of two contrasting businesses.	B.M2 Analyse how the structures of two contrasting businesses allow each to achieve its aims and objectives.	

- Organisational structure
- Functional/operational areas
- Aims and objectives of the business
- SMART objectives
- Mission, vision and value

Learning Aim B: M2 (Merit Criteria). Analyse how the structures of two contrasting businesses allow each to achieve its aims and objectives. Analyse:

- Organisational structure
- Functional/operational areas
- Aims of the business
- SMART objectives
- Mission, vision and values

Activity Three: You are working on Learning Aims A and B and you are trying to achieve the distinction criteria D1. You need write a report to evaluate the reasons for the success of the two contrasting businesses you have chosen, reflecting on evidence gathered.

Learning Aim A and B: D1 (Distinction Criteria). Evaluate the reasons for the success of two contrasting businesses, reflecting on evidence gathered. Evaluate:

- Type of business
- Ownership and liability
- Sector, size and scope
- Purpose
- Aims and objectives
- Clarity of vision
- Innovative products
- Innovative processes
- Influence of stakeholders
- Communication with stakeholders
- Relationship with stakeholders
- Organisational structure

Activity Four: You are working on Learning Aim C and you are trying to achieve the pass, merit and distinction criteria P4, P5, M3 and D2. You need to write a report to examine the environment in which a chosen business operates.

Learning aim C:		C.D2 Evaluate the extent to which the business environment affects a given business, using a variety of situational analysis techniques.
Examine the environment in which businesses operate		
C.P4 Discuss the internal, external and competitive environment on a given business.	C.M3 Assess the effects of the business environment on a given business.	
C.P5 Select a variety of techniques to undertake a		

Learning Aim C: P4 (Pass Criteria). Discuss the internal, external and competitive environment on a given business. Identify:

- PEST factors as external environment factors
- Corporate culture
- Corporate social responsibility (CSR)
- Ethics
- Competition (local, national, international)
- Competitive advantage

Learning Aim C: P5 (Pass Criteria). Select a variety of techniques to undertake a situational analysis of a given business. Undertake and identify the factors in:

- PESTLE
- SWOT
- 5Cs
- Porter's Five Forces

Learning Aim C: M3 (Merit Criteria). Assess the effects of the business environment on a given business. Reflect on your findings from the information gathered:

- External, Internal and Competitive Environments
- PESTLE
- SWOT
- 5Cs
- Porter's Five Forces

Learning Aim C: D2 (Distinction Criteria). Evaluate the extent to which the business environment affects a given business, using the information gathered from the variety of situational techniques. Evaluate your findings from the analysis:

- PESTLE factors as external environment factors
- Corporate culture
- Corporate social responsibility (CSR)
- Ethics
- Competition (local, national, international)
- Competitive advantage
- PESTLE
- SWOT
- 5Cs
- Porter's Five Forces

Activity Five: You are working on Learning Aim D and you are trying to achieve the pass, merit and distinction criteria P6, M4 and D3. You need to write a report to examine the business market of a given business.

Learning aim D: Examine business markets		D.D3 Evaluate how changes in the market have impacted on a given business and how this business may react to future changes.
D.P6 Explore how the market structure and influences on supply and demand affect the pricing and output decisions for a given business.	D.M4 Assess how a given business has responded to changes in the market.	

Learning Aim D: P6 (Pass Criteria). Explore how the market structure and influences on supply and demand affect the pricing and output decisions for a given business. Identify:

- Different market structures: perfect competition, imperfect competition
- Features of different market structures
- Influences on demand
- Influences on supply
- Price elasticity
- Impact on pricing and output decisions

Learning Aim D: M4 (Merit Criteria). Assess how a given business has responded to changes in the market. Assess:

- The business response to pricing decisions of competitors
- The business response to output decisions of competitors

Learning Aim D: D3 (Distinction Criteria). Evaluate how changes in the market have impacted on a given business and how this business may react to future changes by using the information gathered. Evaluate:

- Different market structures: perfect competition, imperfect competition
- Features of different market structures
- Influences on demand
- Influences on supply
- Price elasticity
- Impact on pricing and output decisions
- The business response to pricing decisions of competitors
- The business response to output decisions of competitors

Activity Six: You are working on Learning Aim E and you are trying to achieve the pass, merit and distinction criteria P7, M5 and D4. You need to produce a presentation to investigate the role and contribution of innovation and enterprise to a chosen business.

Learning aim E: Investigate the role and contribution of innovation and enterprise to business success		E.D4 Justify the use of innovation and enterprise for a business in relation to its changing market and environment.
E.P7 Explore how innovation and enterprise contribute to the success of a business.	E.M5 Analyse how successful the use of innovation and enterprise has been for a given business.	

Learning Aim E: P7 (Pass Criteria). Explore how innovation and enterprise contribute to the success of a business. Identify:

Innovation -

- Creative process
- Product or service development
- New ways of increasing business efficiency
- New ways of improving profitability
- Successful exploitation of a new idea
- Adding value to a product, services or markets to differentiate the business from competitors

Enterprise -

- Identifying opportunities to develop business activities
- Creative, lateral and 'blue sky thinking'
- Chance and serendipity
- Intuition

Learning Aim E: M5 (Merit Criteria). Analyse how successful the use of innovation and enterprise has been for a given business. Analyse:

Benefits -

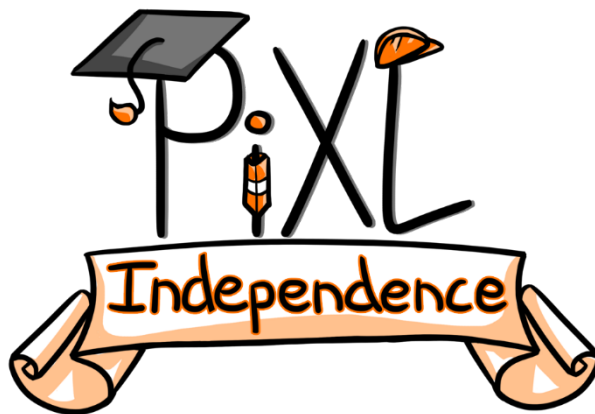
- Improvements to products
- Improvements to processes
- Improvements to services
- Improvements to customer experience
- Business growth
- Development of new and niche markets
- Offering unique selling points
- Improved recognition and reputation
- Smarter working

Risks -

- Failing to meet operational and commercial requirements
- Failing to achieve a return on investment
- Cultural problems

Learning Aim E: D4 (Distinction Criteria). Justify the use of innovation and enterprise for a business in relation to its changing market and environment from the information gathered. Justify:

- Innovation initiatives
- Enterprise initiatives
- Benefits outweighing risks
- Changing market and environment and the need to respond to change



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