

Theme 2

Key Skills to MASTER for this programme

R A G

Topic 2.1: Growing the business

- I can explain methods of business growth and their impact:
 - Organic growth and its impact (new products, new markets, marketing mix, technology, expanding overseas)
 - Inorganic growth and its impact (mergers and takeovers)
- I can explain the types of business ownership for growing businesses: Public Limited Company (PLC)
- I know when to use different sources of finance for growing an established business:
 - Internal sources (retained profit, selling assets)
 - External sources (loan capital, share capital, including stock market floatation – public limited companies)
- I understand why business aims and objectives change as businesses evolve:
 - In response to: market conditions, technology, performance, legislation, internal reasons
- I can explain how business aims and objectives change as businesses evolve:
 - ✓ Focus on survival or growth
 - ✓ Entering or exiting markets
 - ✓ Growing or reducing the workforce
 - ✓ Increasing or decreasing product range
- I understand the impact of globalisation on businesses:
 - ✓ Imports: competition from overseas, buying from overseas
 - ✓ Exports: selling to overseas markets
 - ✓ Changing business locations
 - ✓ Multinationals
- I understand the Barriers to international trade:
 - ✓ Tariffs
 - ✓ Trade blocs
- I can explain how businesses compete internationally:
 - ✓ The use of the internet and e-commerce
 - ✓ Changing the marketing mix to compete internationally
- I understand the impact of ethical and environmental considerations on businesses
 - ✓ How ethical considerations influence business activity: possible trade-offs between ethics and profit
 - ✓ How environmental considerations influence business activity: possible trade-offs between the environment, sustainability and profit activity: possible trade-offs between the environment,
 - ✓ The potential impact of pressure group activity on the marketing mix

Topic 2.2: Making marketing decisions

- I can apply **Product** –
 - ✓ The design mix: Function, aesthetics, cost
 - ✓ The product life cycle:
 - ✓ The phases of the product life cycle
 - ✓ Extension strategies
 - ✓ The importance to a business of differentiating a product/service
- I can apply **Price** –
 - ✓ Pricing strategies
 - ✓ Influence on pricing strategies: technology, competition, market segments, product life cycle
- I can apply **Promotion** -
 - ✓ Appropriate promotion strategies for different market segments: advertising, sponsorship, product trials, special offers, branding
 - ✓ The use of technology in promotion: targeted advertising online, viral advertising via social media, e-newsletters
- I can apply **Place** -
 - ✓ Methods of distribution: retailers and e-tailers (e commerce)
- I understand how to use the marketing mix to make business decisions:
 - ✓ How each element of the marketing mix can influence other elements
 - ✓ Using the marketing mix to build competitive advantage
 - ✓ How an integrated marketing mix can influence competitive advantage

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Topic 2.3: Making operational decisions	I understand the purpose of business operations:			
	✓ To produce goods			
	✓ To provide services			
	Production processes:			
	✓ Different types: job, batch, flow			
	✓ The impact of different types of production processes: keeping productivity up and costs down and allowing for competitive prices			
	Impacts of technology on production:			
	✓ Balancing cost, productivity, quality and flexibility			
	I can explain the importance of working with suppliers in terms of:			
	✓ Managing stock:			
	✓ Interpretation of bar gate stock graphs			
	✓ The use of just in time (JIT) stock control			
	The role of procurement:			
	✓ Relationships with suppliers: quality, delivery (cost, speed, reliability), availability, cost, trust			
Topic 2.4: Making financial decisions	✓ The impact of logistics and supply decisions on: costs, reputation, customer satisfaction.			
	I understand the concept of quality and its importance in:			
	✓ The production of goods and the provision of services: quality control and quality assurance.			
	✓ Allowing a business to control costs and gain a competitive advantage			
	I understand and can apply the sales process:			
	✓ Product knowledge, speed and efficiency of service, customer engagement, responses to customer feedback, post-sales service			
	I can explain the importance to businesses of providing good customer service			
	I can explain the concept and calculate:			
	✓ Gross profit			
	✓ Net profit			
	✓ Gross profit margin			
	✓ Net profit margin			
	✓ Average rate of return			
	I can use and interpret quantitative business data to support, inform and justify business decisions:			
Topic 2.5: Making human resource decisions	✓ Information from graphs and charts			
	✓ Financial data			
	✓ Marketing data			
	✓ Market data			
	I understand the use and limitations of financial information in:			
	✓ Understanding business performance			
	✓ Making business decisions			
	I understand different organisational structures and when each are appropriate:			
	✓ Hierarchical and flat			
	✓ Centralised and decentralised			
	I can explain the importance of effective communication:			
	✓ The impact of insufficient or excessive communication on efficiency and motivation			
	✓ Barriers to effective communication			
	I can analyse different ways of working:			
	✓ Part-time, full-time and flexible hours			
	✓ Permanent, temporary, and freelance contracts			
	✓ The impact of technology on ways of working efficiency, remote working			
	In terms of effective recruitment, I understand different job roles and responsibilities:			
	✓ Key job roles and their responsibilities: directors, senior managers, supervisors/team leaders, operational and support staff			
	How businesses recruit people:			
	✓ Documents: personal specification and job description, application form, CV			
	✓ Recruitment methods used to meet different business needs (internal and external recruitment)			
	I know and appreciate the importance of how businesses train and develop employees:			
	✓ Different ways of training and developing employees: formal and informal training, self-learning, ongoing training for all employees, use of target setting and performance reviews			
	Why businesses train and develop employees:			
	✓ The link between training, motivation and retention			
	✓ Retraining to use new technology			
	I am aware of and can explain the importance of motivation in the workplace:			
	✓ Attracting employees, retaining employees, productivity			
	How businesses motivate employees:			
	✓ Financial methods: remuneration, bonus, commission, promotion, fringe benefits			
	✓ Non-financial benefits: job rotation, job enrichment autonomy			