



Unit 1: Exploring Business

Delivery guidance

Approaching the unit

As this is an introductory unit, it is not assumed that learners will have any previous knowledge of business. Learners will bring their knowledge of business through their experiences as consumers, customers or perhaps as employees.

Encourage learners to research and learn about local, national and international businesses in different sectors. They should look at the key ingredients for business success – how businesses are organised, how they communicate, the characteristics of the environment in which they operate, and how this shapes them and their activities. Learners should also look at the importance of innovation and enterprise to the success and survival of businesses, plus the associated risks and benefits.

To complete this unit, your learners will need access to a range of research materials, which could include sources of information and tools on the internet, journals or magazines, and books.

You can use a range of delivery methods in this unit, such as:

- discussions, e.g. class and small group discussions on the business environment
- individual or group presentations, e.g. covering stakeholders and their importance
- case studies illustrating enterprise for both well-known and lesser-known businesses
- videos, e.g. TED talks on innovation.

Group work is an acceptable form of delivery, but you must ensure that each learner produces sufficient evidence on their own for assessment.

You can involve local employers in the delivery of this unit by inviting them as:

- guest speakers
- members of the audience for learner presentations
- contributors to case study material
- providers of work experience for learners, and of business materials as exemplars
- mentors for learners.

Delivering the learning aims

For learning aim A, introduce the topic by asking learners to share stories about their knowledge and experiences of working within different businesses, and discuss what they believe contributes to the success of a business. You could

then provide initial input for your learners on the different types of business ownership and how these relate to the operation of a business.

In small groups, learners could carry out secondary research of businesses by looking at their websites, many of which have 'about us' pages that contain useful information regarding activities, ownership and size. This could be followed by primary research, consisting of independent or accompanied visits to different businesses. It is important that learners understand the influence of a range of stakeholders, e.g. managers, employees, owners, suppliers, lenders, pressure groups, interest groups, etc., as well as the importance of appropriate communication with each stakeholder type. The use of a visiting speaker could help learners understand stakeholder involvement and the importance of managing stakeholder relationships and expectations.

For learning aim B, you could invite guest speakers from local and national businesses to present and discuss the structure, organisation and functional areas that exist in their businesses. Alternatively, give case studies of appropriate businesses for learners to interrogate. In small groups, learners could carry out website research on the mission, vision and values of well-known businesses in the private and not-for-profit sectors. This will help to prepare them to write their own mission statements and SMART objectives for businesses in both sectors, e.g. a supermarket and a housing association. Learners may be able to gather information from work experience placements or part-time jobs.

For learning aim C, you could introduce the topic with a presentation explaining the key terms that might be used in the business environment. Learners could then take part in group discussions in order to clarify these terms further. In small groups, learners could go on to conduct research into and become 'experts' on the external, internal or competitive environments. Groups could either conduct research on each of these environments or they could be given appropriate case studies. New groups could then be formed, with each new group containing one 'expert' from each of the earlier groups, and this would allow learners to share their knowledge with their peers. You could also use case studies of different businesses to introduce learners to situational analysis tools via case studies of different businesses. In small groups or pairs, learners could perform an analysis on a given business and report back to the class.

For learning aim D, you could give initial input to your learners on market structures, then follow this with a discussion on how markets work. Use examples such as the price of festival or concert tickets to show the relationship between demand, supply and price, and how the availability of products affects how the demand from consumers interacts with the supply offered by producers. You could use case studies to look at current issues. This could be followed by paired work, using online banks of questions on economics, to check learners' understanding of the topic.

You could introduce learning aim E by using real examples of innovation and enterprise. Show learners clips from programmes such as *Dragons' Den* and ask them to identify some of the benefits and risks of different ideas. Identifying appropriate business activity, learners could prepare and deliver presentations on an example of innovation or enterprise to small groups of their peers. Learners could then be encouraged to ask appropriate questions of one another: ensure that they have considered suitable questions prior to the presentation, so that both presenters and audience members get the most out of this activity.

For this learning aim, you may be able to enlist the help of local entrepreneurs to enhance your learners' experience. You could ask these entrepreneurs to advise groups on how to prepare a presentation investigating the use of enterprise and innovation in an existing business; if possible, they could also be part of an audience for the finished presentations.



Learning aim	Key content areas	Recommended assessment approach
A Explore the features of different businesses and analyse what makes them successful	A1 Features of businesses A2 Stakeholders and their influence A3 Effective business communications	A report that examines the features of a for-profit and a not-for-profit business, looking at how each is organised, how their structures enable achievement of their aims and objectives and the relationship and communication with stakeholders.
B Investigate how businesses are organised	B1 Structure and organisation B2 Aims and objectives	
C Examine the environment in which businesses operate	C1 External environment C2 Internal environment C3 Competitive environment C4 Situational analysis	A report that examines the effects of the internal and external environment on a large business and how the business has, and will, respond to changes.
D Examine business markets	D1 Different market structures D2 Relationship between demand, supply and price D3 Pricing and output decisions	
E Investigate the role and contribution of innovation and enterprise to business success	E1 Role of innovation and enterprise E2 Benefits and risks associated with innovation	A presentation that investigates the use of enterprise and innovation in an existing business.

Assessment guidance

This unit is internally assessed through three assignments. The first covers learning aims A and B, the second covers learning aims C and D and the third covers learning aim E.

All learners must independently generate individual evidence that can be authenticated. The main sources of evidence are likely to be written reports or presentations. However, learners could also use written plans to produce a video report or an aural 'radio segment'. Learners should incorporate in-depth research, supported by a fully referenced bibliography.

Learners could also produce presentations. Suitable forms of evidence for a presentation are slides, preparation notes, scripts, cue cards, peer assessment records and an observation record. BTEC assessors could complete observation records, while learners' colleagues in placements or part-time work could complete witness statements. However, observation records alone are not sufficient sources of learner evidence: they must also be supported by the original learner-generated evidence. Assessors should remember that they are assessing the content of the presentation against the learning aim and not the skill with which the presentation was delivered.

Getting started

This provides you with a starting place for one way of delivering the unit.

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Introduction

Begin with a group discussion exploring examples of businesses known to learners, then follow up with an outline of the unit's learning aims.

Learning aim A – Explore the features of different businesses and analyse what makes them successful

- Ask learners to collaborate in small groups to come up with examples of different businesses that they have experienced. After a tutor-led introduction, each learner could then contribute to a class discussion on the size, scope, purpose, activities and the sector to which each business belongs.
- Ask learners to individually jot down some businesses that they think are successful. In small groups, learners should then list what they consider to be the three key ingredients for business success. Learners should report back to the class, contributing to a list of key ingredients for success. Ask your learners to discuss their findings as a group.
- Use the learners' examples of businesses to lead a discussion on different forms of ownership. Ask learners to consider the key stakeholders of each business and have them divide this list into internal and external stakeholders.
- Discuss how ownership and the influence of stakeholders affect a business. For the latter point, learners should consider the effects of a stakeholder being either an internal or external stakeholder and the different roles that these play.
- Give learners samples of informal and formal written presentations that might be used for various business communication purposes. In small groups, learners should consider how and whether the presentation is suitable for a given audience and serves its intended purpose. Show learners some examples of presentations, such as your presentation slides from the unit introduction, with speaker notes shown. Ask learners to consider what should be included in speaker notes and think about the type of information that should be delivered in this way.

Learning aim B – Investigate how businesses are organised

- Ask learners to work in small groups to research and gather information on the structure and organisation of a number of businesses. This should include the functional/operational areas, e.g. human resources, research and development, sales, marketing, purchasing, production and quality, finance, customer service, IT, administration. This could be researched online or through visits to local businesses. Learners could visit a number of contrasting businesses in the locality with a view to gathering information on a variety of business structure types.
- Ask learners to prepare and deliver a professional presentation, using slides and speaker notes, to share their findings with the class.
- Use the learners' presentations to lead a discussion on the suitability of different types of structure and organisation for different businesses.
- Give learners three business case studies (one private, one public and one not-for-profit) which detail the aims of the businesses, including their mission statements. Lead the class in a discussion to ensure that learners understand the difference between aims and objectives. Splitting the class into three groups (private, public,



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not-for-profit), give them the different objectives behind the aims (e.g. value for money, market leadership, health care, etc.) and have them match the aim with the objective.

- Looking at a set of objectives, the whole class should identify whether the objectives are SMART. Give learners a list of objectives and ask them to rewrite them into SMART objectives.
- For assessment purposes, learners should research two businesses, looking at each business's ownership, stakeholders, purpose, sector of operation, scope of activities and reasons for success. You should encourage learners to research the structure, organisation and communication of these businesses, as they need to report on how the structure allows the business to achieve its aims and objectives. They should also be able to evaluate the reasons for the success of each business.

Learning aim C – Examine the environment in which businesses operate

- You could begin by introducing the environments in which businesses operate, as well as competition from rival businesses. Explain why managers need to understand the capabilities and customers of their business as well as the business environment in which they operate.
- Introduce how businesses can gain information on the internal, macro-environmental and micro-environmental factors within the environment.
- You could outline the process and types of situational analysis such as PESTLE, SWOT, 5Cs and Porter's Five Forces, and look at how important they are in providing vital insight. Give case studies of each type of analysis against different businesses for learners to review.
- Working in small groups, learners should take one of the tools and analyse a business of their choice. Each learner or pair of learners within the small group should take one aspect of the analysis and report back to the rest of the group. Each group should finally report back on the strengths and weaknesses of their given analysis tool.
- Encourage your learners to research a chosen business to find out about the internal, external and competitive environment in which they operate, in order to allow them to carry out a situational analysis. Ensure that the whole group covers a broad range of businesses.

Learning aim D – Examine business markets

- Introduce the topic of market structures. As this is a large topic, it may be best to break this up into parts.
- Ask learners to show their understanding of perfect and imperfect competition using a visual representation, e.g. a mind map.
- After introducing market structures, show learners the different structures on a whiteboard or interactive whiteboard. Give learners the features of the different structures so that the whole group can try to identify which feature belongs with which market.
- Ask your learners to research how one chosen business sits in a market. They should gather enough information to be able to consider how their chosen business has responded to changes to that market, and evaluate how future changes may have an impact on the business.
- Lead a discussion on the relationship between demand, supply and price. Show

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examples of elasticity of price.

- Divide learners into small groups. Give them cards listing the different influences on demand and supply and ask them to sort the cards into the correct piles. As a group, discuss outcomes.
- Give learners case studies that show the impact of pricing and output decisions in different market structures.

Learning aim E – Investigate the role and contribution of innovation and enterprise to business success

- Start by leading a discussion on the difference between innovation and enterprise.
- Ask learners to research a variety of small and large businesses that they think are enterprising, then contribute to a class discussion on what makes them successful – the format or the entrepreneur?
- In small groups, learners could discuss what they think are benefits and risks, and then share their findings with the class.
- Ask learners to choose one business from those that they researched earlier and prepare an analysis of how successful the use of innovation and enterprise has been for that business.



Details of links to other BTEC units and qualifications, and to other relevant units/qualifications

Pearson BTEC Level 3 Nationals in Business (NQF):

- all other units.

Resources

In addition to the resources listed below, publishers are likely to produce Pearson-endorsed textbooks that support this unit of the BTEC Nationals in Business. Check the Pearson website (<http://qualifications.pearson.com/endorsed-resources>) for more information as titles achieve endorsement.

Textbooks

- Coupland-Smith H, Phillips J, et al – *BTEC Level 3 National Business Student Book 1* (Pearson, 2016) ISBN 9781292126203.
A student book covering the new BTEC Level 3 NQF course. *Unit 1: Exploring Business* is covered in full.

Journals

- *Business Review* (Philip Allan Magazines)
A journal designed for Business Studies students. It includes relevant theoretical articles as well as information on companies and markets.
- *The Economist*
A weekly economics and business journal that has regular articles and features about issues related to public sector businesses and the economy. It also has an extensive archive of relevant materials.

Videos

- www.bbc.co.uk/schools/gcsebitesize/business/environment/stateofeconomyvid.shtml
Experts talk about the impact of an economic downturn and what a business can do to stay afloat in hard times.
- www.ted.com
Online videos of short talks (18 minutes or less) covering a wide range of topics including business and global issues.

Websites

- www.bbc.co.uk/news/business/economy
News about the UK economy.
- www.bized.co.uk
Business education resources including case studies, simulations and worksheets.

- www.businesscasestudies.co.uk
Business case studies on topics such as business environment, the economy, ethics and external influences. The site also has a selection of theory notes aimed at learners.
- www.economist.com
The Economist has a full archive of its articles about the UK economy. A subscription is required for full access.
- www.gov.uk
The UK government portal for government departments and policies.
- www.investopedia.com/
An educational website that features useful articles.
- www.mindtools.com/CommSkll/WritingSkills.htm
Tips on developing good communication skills.
- www.thetimes.co.uk/tto/law
The Times provides up-to-date information and legal cases, including a Student Law area. A subscription is required.
- www.tutor2U.net
Resources and revision materials, as well as links to other sources of information.