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# GCSE (9-1) in Business 2017

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## Introduction

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This mapping document highlights the similarities and differences in content and assessment between Pearson's new (2017) GCSE (9-1) in Business and the legacy (2009) specification.

Content mapping has been provided from the new specification and from the legacy specification to help you identify the changes in a format that suits you.

The assessment of the new GCSE has also changed and mapping is provided to highlight key differences.

### The context for change

New subject content for all GCSEs in Business was published by the Department for Education in December 2015. This represents 100% of the core content for all GCSE Business qualifications and changes have been made to the Pearson qualification to meet these new requirements.

We have ensured continuity with the current qualification wherever possible but have taken the opportunity to update and strengthen the content and make improvements to meet the new criteria as well as to address feedback from centres.

Ofqual published final assessment conditions and guidance for all GCSEs in Business in March 2016. These documents outline the assessment requirements for the new GCSEs and changes have been made to the Pearson qualification to ensure these new criteria are met.

For details of the regulatory changes to content and assessment for all GCSEs (9-1) in Business, please see our *Getting Started Guide*.

## Content mapping: from 2017 specification

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The new specification is organised into two themes. The first theme approaches the content through the context of small businesses and the second focuses on growing businesses. This is a familiar approach for current centres.

The tables below are organised into two columns: the first outlines content in the new (2017) specification and the second notes how this relates to the legacy (2009) specification. The tables highlight where there is continuity with current content (text in blue) and explains new content. The specification content column is not detailed in full so please refer to the specification for all content.

It is also worth noting the changes to the assessment; much of the content is familiar with the legacy unit 1 but will be assessed differently. The *Getting Started Guide* provides teaching and delivery ideas for all the content.

## Theme 1: Investigating small business

Theme 1 concentrates on the key business concepts, issues and skills involved in starting and running a small business. It provides a framework for students to explore core concepts through the lens of an entrepreneur setting up a business.

### 1.1 Enterprise and entrepreneurship

This topic introduces the dynamic nature of business in relation to how and why business ideas come about. It also explores the impact of risk and reward on business activity and the role of entrepreneurship.

Specification content	Notes
1.1.1 The dynamic nature of business <ul style="list-style-type: none"><li>• Why new business ideas come about</li><li>• How new business ideas come about</li></ul>	<p><i>Why new business ideas come about</i> is new and introduces students to the idea that businesses are dynamic and need to evolve to survive and grow.</p> <p><i>How new business ideas come about</i> is in topic 1.2 within <i>Invention and innovation – generating new business ideas</i>.</p>
1.1.2 Risk and reward <ul style="list-style-type: none"><li>• The impact of risk and reward on business activity</li></ul>	<p><i>The impact of risk and reward on business activity</i> is in topic 1.2 within <i>Taking a calculated risk</i>.</p>
1.1.3 The role of business enterprise <ul style="list-style-type: none"><li>• The role of business enterprise and the purpose of business activity</li><li>• The role of entrepreneurship</li></ul>	<p><i>The role of business enterprise and the purpose of business activity</i> is in topic 1.1 within <i>Understanding customer needs</i> and <i>Understanding the need to add value</i>, and topic 1.2 within <i>What is enterprise</i>.</p> <p><i>The role of entrepreneurship</i> is in topic 1.2 within <i>What is enterprise</i>.</p>

## 1.2 Spotting a business opportunity

This topic explores how new and small businesses identify opportunities through understanding customer needs and conducting market research. It also focuses on understanding the competition.

Specification content	Notes
1.2.1 Customer needs <ul style="list-style-type: none"> <li>Identifying and understanding customer needs</li> </ul>	<i>Identifying and understanding customer needs is in topic 1.1 Understanding customer needs.</i>
1.2.2 Market research <ul style="list-style-type: none"> <li>The purpose of market research</li> <li>Methods of market research</li> <li>The use of data in market research</li> </ul>	<p>The purpose of market research and types of market research are in topic 1.1 within <i>Understanding customer needs</i>.</p> <p>The purpose of market research to inform business decisions is new and enables students to practice quantitative skills.</p> <p>Also new is <i>The role of social media in collecting market research data</i> within <i>The use of data in market research</i>. This introduces students to a range of technology and allows modern methods of market research to be introduced; explicit examples are not listed to enable up-to-date examples to be used.</p> <p>The importance of the reliability of market research data is also new within this final bullet point and allows students to consider the limitation of quantitative and qualitative data in making business decisions.</p>
1.2.3 Market segmentation <ul style="list-style-type: none"> <li>How businesses use segmentation to target customers</li> </ul>	<i>How businesses use segmentation is in topic 1.1.2 within Market mapping.</i>
1.2.4 The competitive environment <ul style="list-style-type: none"> <li>Understanding the competitive environment</li> </ul>	<i>Understanding the competitive environment is in topic 1.1.3 within Analysing competitor strengths and weaknesses.</i>

## 1.3 Putting a business idea into practice

This topic focuses on making a business idea happen through identifying aims and objectives and concentrating on the financial aspects.

Specification content	Notes
<p>1.3.1 Business aims and objectives</p> <ul style="list-style-type: none"> <li>• What business aims and objectives are</li> <li>• Business aims and objectives when starting up</li> <li>• Why aims and objectives differ between businesses</li> </ul>	<p><i>What business aims and objectives are and why they differ between businesses are new but centres might cover this already as part of topic 1.3 Objectives when starting up.</i></p> <p><i>Business aims and objectives when starting up are in topic 1.3 within Objectives when starting up.</i></p>
<p>1.3.2 Business revenues, costs and profits</p> <ul style="list-style-type: none"> <li>• The concept and calculation of revenue, costs, profit and loss, interest, break even level of output and margin of safety</li> <li>• Interpretation of break-even diagrams</li> </ul>	<p><i>The concept and calculation of revenues, costs and profits is in topic 1.3 Estimating revenues, costs and profits.</i></p> <p><i>Interest is new and has been included to assess quantitative skills (percentages).</i></p> <p><i>The concept and calculation of break-even and margin of safety is in topic 3.3 Break-even charts and break-even analysis.</i></p>
<p>1.3.3 Cash and cash-flow</p> <ul style="list-style-type: none"> <li>• The importance of cash to a business</li> <li>• Calculation and interpretation of cash-flow forecasts</li> </ul>	<p><i>The importance of cash to a business and the calculation and interpretation of cash-flow forecasts is in topic 1.3 within Forecasting cash flows.</i></p>
<p>1.3.4 Sources of business finance</p> <ul style="list-style-type: none"> <li>• Sources of finance for a start-up or established small business</li> </ul>	<p><i>Sources of finance for start-up and small businesses is in topic 1.3 within Obtaining...</i></p>

## 1.4 Making the business effective

This topic explores a range of factors that impact on the success of the business, including location, the marketing mix and the business plan.

Specification content	Notes
<p>1.4.1 The options for start-up and small businesses</p> <ul style="list-style-type: none"> <li>• The concept of limited liability</li> <li>• The types of business ownership for start-ups</li> <li>• The option of starting up and running a franchise operation</li> </ul>	<p><i>The concept of limited liability and Types of business ownership for start-ups is in topic 1.4 within The importance of limited liability.</i> This content has been strengthened to include partnerships and now requires students to consider advantages and disadvantages of each type of business ownership.</p> <p><i>Starting up and running a franchise is in topic 1.1 within What options exist for starting up a business.</i></p>
<p>1.4.2 Business location</p> <ul style="list-style-type: none"> <li>• Factors influencing business location</li> </ul>	<p><i>Factors influencing business location is in topic 1.1 What options exist for starting up a business.</i></p> <p>This content has been broadened to enable students to explore how the nature of the business activity affects location decisions. They will also explore the impact of the Internet on location and whether a business will decide to have fixed premises.</p>
<p>1.4.3 The marketing mix</p> <ul style="list-style-type: none"> <li>• What the marketing mix is and the importance of each element</li> <li>• How the elements of the marketing mix work together</li> </ul>	<p><i>What the marketing mix is and How the elements work together are in topic 1.4 The marketing mix.</i></p> <p>The content has been updated to enable students to consider the impact of technology, namely e-commerce and digital communication, on the marketing mix.</p>
<p>1.4.4 Business plans</p> <ul style="list-style-type: none"> <li>• The role and importance of a business plan</li> <li>• The purpose of planning business activity</li> </ul>	<p><i>The role and importance of a business plan is new and allows students to identify key components of the plan. These components have been introduced throughout theme 1 so this provides an opportunity for students to consider how these components are interrelated.</i></p> <p><i>The purpose of planning business activity is in topic 1.3 within Forecasting cash flows.</i></p>

## 1.5 Understanding external influences on business

This topic introduces a range of factors, many of which are outside of the immediate control of the business, such as stakeholders, technology, legislation and the economy. The focus is on how businesses respond to these influences.

Specification content	Notes
<p>1.5.1 Business stakeholders</p> <ul style="list-style-type: none"> <li>Who business stakeholders are and their different objectives</li> <li>Stakeholders and businesses</li> </ul>	<p><i>Who business stakeholders are, how they are affected by business activity, the impact stakeholders have on business and possible conflicts between stakeholder groups are in topic 1.5 within <b>What effect do business decisions have on stakeholders.</b></i></p>
<p>1.5.2 Technology and business</p> <ul style="list-style-type: none"> <li>Different types of technology used by businesses</li> <li>How technology influences business activity</li> </ul>	<p>This is a new content area which enables students to consider different types of technology used by business and how technology influences business activity. Broad types of technology (e-commerce, social media, communication and payment systems) are outlined to enable up-to-date, specific examples to be used in class.</p>
<p>1.5.3 Legislation and business</p> <ul style="list-style-type: none"> <li>The purpose of legislation</li> <li>The impact of legislation on businesses</li> </ul>	<p><i>The impact of legislation on business is in topic 3.2 within <b>Meeting consumer protection laws</b> and topic 1.4 within <b>Recruiting, training and motivating staff.</b></i></p> <p>Individual laws have not been listed to ensure the focus remains on the main purpose and principles of consumer and employment law, as well as the consequences for a business of not meeting these laws. This also allows up-to-date examples to be used in class.</p>
<p>1.5.4 The economy and business</p> <ul style="list-style-type: none"> <li>The impact of the economic climate on business</li> </ul>	<p><i>The impact of the economic climate on business is in topic 1.5 within the sections on <b>interest rates, exchange rates and business cycles</b>, and topic 3.5 within <b>impact of the government.</b></i></p>
<p>1.5.5 External influences</p> <ul style="list-style-type: none"> <li>The importance of external influences on business</li> </ul>	<p><i>The importance of external influences on business is in topic 1.5.</i></p> <p>This section now brings together the other content within topic 1.5 to enable students to consider possible responses by the business to changes in technology, legislation and the economic climate.</p>

## Theme 2: Building a business

Theme 2 examines how a business develops beyond the start-up phase. It focuses on the key business concepts, issues and decisions used to grow a business, with an emphasis on aspects of marketing, operations, finance and human resources. It also considers the impact of the wider world on the decisions a business makes as it grows.

### 2.1 Growing the business

This topic introduces students to methods of growth and how and why business aims and objectives change as businesses evolve. The impact of globalisation and the ethical and environmental questions facing businesses are explored.

Specification content	Notes
2.1.1 Business growth <ul style="list-style-type: none"> <li>• Methods of business growth and their impact</li> <li>• The types of business ownership for growing businesses</li> <li>• Sources of finance for growing and established businesses</li> </ul>	<p><i>Methods of business growth</i> (organic and inorganic) are new and have been included to enable students to explore how businesses can grow.</p> <p><i>Sources of finance for growing and established businesses</i> is in topic 3.3 within <i>Financing growth</i>. Centres may cover <i>The types of business ownership for growing businesses</i> here as stock market flotation is covered.</p>
2.1.2 Changes in business aims and objectives <ul style="list-style-type: none"> <li>• Why business aims and objectives change as businesses evolve</li> <li>• How business aims and objectives might change as businesses evolve</li> </ul>	<p>This new content focuses on how and why business aims and objectives change as businesses evolve. This enables students to consider how businesses change and adapt in dynamic markets.</p>
2.1.3 Business and globalisation <ul style="list-style-type: none"> <li>• The impact of globalisation on businesses</li> <li>• Barriers to international trade</li> <li>• How businesses compete internationally</li> </ul>	<p><i>The impact of globalisation on business, Barriers to international trade</i> and <i>How businesses compete internationally</i> are new and introduce a global aspect to the content. Students will explore the impact of imports and exports, tariffs and trade blocs, and will consider how businesses use the internet and e-commerce, and change the marketing mix to compete internationally. This content allows up-to-date and topical examples to be used.</p>
2.1.4 Ethics, the environment and business <ul style="list-style-type: none"> <li>• The impact of ethical and environmental considerations on businesses</li> </ul>	<p><i>The impact of ethical and environmental considerations on business</i> are in topic 3.5 within <i>Ethics in business</i> and <i>Environmental issues</i>.</p>

## 2.2 Making marketing decisions

This topic explores how each element of the marketing mix is managed and used to inform and make business decisions in a competitive marketplace.

Specification content	Notes
<p>2.2.1 Product</p> <ul style="list-style-type: none"> <li>The design mix</li> <li>The product life cycle</li> <li>The importance to a business of differentiating a product/service</li> </ul>	<p><i>The design mix is in topic 3.2 within Design and research development.</i></p> <p><i>The product life cycle and the importance of differentiating a product is in topic 3.1 within Product life cycle and Branding and differentiation.</i></p>
<p>2.2.2 Price</p> <ul style="list-style-type: none"> <li>Pricing strategies and influences on pricing strategies</li> </ul>	<p><i>Price is in topic 3.1 within Building a successful marketing mix. The content has been made more explicit to emphasise how the marketing mix is used to inform and implement business decisions.</i></p>
<p>2.2.3 Promotion</p> <ul style="list-style-type: none"> <li>Promotion strategies and the use of technology</li> </ul>	<p><i>Promotion is in topic 3.1 within Building a successful marketing mix. The content has been made more explicit to emphasise how the marketing mix is used to inform and implement business decisions.</i></p>
<p>2.2.4 Place</p> <ul style="list-style-type: none"> <li>Methods of distribution</li> </ul>	<p><i>Place is in topic 3.1 within Building a successful marketing mix. The content has been made more explicit to emphasise how the marketing mix is used to inform and implement business decisions.</i></p>
<p>2.2.5 Using the marketing mix to make business decisions</p> <ul style="list-style-type: none"> <li>How each element of the marketing mix can influence other elements</li> </ul>	<p>This section now brings together the other content within topic 2.2 to enable students to consider how each of the four elements influences the other elements and how all are considered within business decisions.</p>

## 2.3 Making operational decisions

This topic focuses on meeting customer needs through the design, supply, quality and sales decisions a business makes.

Specification content	Notes
<p>2.3.1 Business operations</p> <ul style="list-style-type: none"> <li>• The purpose of business operations</li> <li>• Production processes</li> <li>• Impacts of technology on production</li> </ul>	<p><i>The purpose of business operations and Production processes are new content to provide context for the operational decisions businesses make.</i></p> <p><i>The impact of different types of production processes is in topic 3.2 within Cost-effective operations and competitiveness.</i></p> <p><i>The impacts of technology on production is new and allows for up-to-date examples to be used in class.</i></p>
<p>2.3.2 Working with suppliers</p> <ul style="list-style-type: none"> <li>• Managing stock</li> <li>• The role of procurement</li> </ul>	<p><i>Managing stock is in topic 3.2 within Managing stock and quality.</i></p> <p><i>The role of procurement is new content and enables students to explore relationships with suppliers, and the impact logistical and supply decisions have on a business.</i></p>
<p>2.3.3 Managing quality</p> <ul style="list-style-type: none"> <li>• The concept and importance of quality</li> </ul>	<p><i>The concept of quality and its importance to a business is in topic 3.2 within Managing stock and quality.</i></p>
<p>2.3.4 The sales process</p> <ul style="list-style-type: none"> <li>• The sales process</li> <li>• The importance to businesses of providing good customer service</li> </ul>	<p><i>The sales process is new content which enables students to consider the importance of product knowledge, efficiency of service, customer engagement, customer feedback and post-sales service.</i></p> <p><i>The importance of good customer service is in topic 3.2 within Effective customer service.</i></p>

## 2.4 Making financial decisions

This topic explores the tools a business has to support financial decision making, including ratio analysis and the use and limitation of a range of financial information.

Specification content	Notes
<p>2.4.1 Business calculations</p> <ul style="list-style-type: none"><li>• The concept and calculation of gross profit and net profit</li><li>• Calculation and interpretation of gross profit margin, net profit margin and average rate of return</li></ul>	<p><i>The concept and calculation of gross profit and net profit and Calculation and interpretation of gross profit margin, net profit margin and average rate of return are new content which enables students to develop quantitative skills.</i></p>
<p>2.4.2 Understanding business performance</p> <ul style="list-style-type: none"><li>• The use and interpretation of quantitative business data to support, inform and justify business decisions</li><li>• The use and limitation of financial information</li></ul>	<p>This new content enables students to consider the use of quantitative business data to support, inform and justify business decisions, as well as the use and limitation of financial information. This supports the development of quantitative skills.</p>

## 2.5 Making human resource decisions

Growing a business means that decisions relating to organisational structure, recruitment, training and motivation need to be made to influence business activity. These aspects are considered in this final topic.

Specification content	Notes
<p>2.5.1 Organisational structures</p> <ul style="list-style-type: none"> <li>• Different organisational structures and when each are appropriate</li> <li>• The importance of effective communication</li> <li>• Different ways of working</li> </ul>	<p><i>The importance of different organisational structures is in topic 3.4 within Organisational structure.</i></p> <p><i>The importance of effective communication is in topic 3.4 within Communication.</i></p> <p><i>Different ways of working is new content which enables students to consider how and why people can work more flexibly, including the role technology has on this.</i></p>
<p>2.5.2 Effective recruitment</p> <ul style="list-style-type: none"> <li>• Different job roles and responsibilities</li> <li>• How businesses recruit people</li> </ul>	<p><i>Different job roles and responsibilities is new and allows students to explore how levels of responsibility vary in businesses.</i></p> <p><i>How business recruit people is in topic 1.4 within Recruiting, training and motivating staff.</i></p>
<p>2.5.3 Effective training and development</p> <ul style="list-style-type: none"> <li>• How businesses train and develop employees</li> <li>• Why businesses train and develop employees</li> </ul>	<p>This new content explores how and why businesses train and develop employees.</p>
<p>2.5.4 Motivation</p> <ul style="list-style-type: none"> <li>• The importance of motivation in the workplace</li> <li>• How businesses motivate employees</li> </ul>	<p><i>The importance of motivation in the workforce is in topic 3.4 within Motivation theory.</i></p> <p>New content within this section relates to how businesses motivate employees through financial and non-financial methods.</p>

## Content mapping: from 2009 specification

The tables in this section are organised into two columns: the first outlines content in the old (2009) specification and the second outlines how this relates to the new (2017) specification. The tables highlight (text in green) where content is no longer included as it does not relate to the Department for Education subject content document. Content that is no longer required can still be taught to provide context if time allows and if you choose to do so. (There will be no direct questions on this content in the assessments.) Some suggestions of how this can be done is included in the second column. The specification content columns are not detailed in full so please refer to the specification for all content.

### Unit 1: Introduction to small business

#### 1.1 Spotting a business opportunity

2009 specification content	2017 specification content
<p>Understanding customer needs:</p> <ul style="list-style-type: none"> <li>Customer needs</li> <li>Primary and secondary market research; the difference between qualitative and quantitative research</li> <li>The value of market knowledge through direct customer contact</li> </ul>	<p>Understanding customer needs:</p> <ul style="list-style-type: none"> <li>The role of business enterprise and the purpose of business activity, 1.1.3</li> <li>Identifying and understanding customer needs, 1.2.1</li> </ul> <p>Market research:</p> <ul style="list-style-type: none"> <li>Methods of market research, 1.2.2</li> </ul>
<p>Market mapping:</p> <ul style="list-style-type: none"> <li>How to analyse customer buying habits and preferences</li> <li>How businesses can identify market segments</li> <li>How businesses can map their market and identify a gap in the market</li> </ul>	<p>Analysing preferences and identifying market segments:</p> <ul style="list-style-type: none"> <li>The purpose of market research, 1.2.2</li> </ul> <p>Market mapping:</p> <ul style="list-style-type: none"> <li>How businesses use market segmentation to target customers, 1.2.3</li> </ul>
<p>Analysing competitor strengths and weaknesses:</p> <ul style="list-style-type: none"> <li>An analysis of the competitors in the market</li> <li>How to analyse competitor strengths and weaknesses</li> </ul>	<p>Analysing competitors:</p> <ul style="list-style-type: none"> <li>Understanding the competitive environment, 1.2.4</li> </ul>
<p>Understanding the need to add value:</p> <ul style="list-style-type: none"> <li>The meaning of the term 'added value' and its importance</li> <li>The main sources of added value</li> </ul>	<p>Meaning and sources of added value:</p> <ul style="list-style-type: none"> <li>The role of business enterprise and the purpose of business activity, 1.1.3</li> </ul>
<p>What options exist for starting up a business?</p> <ul style="list-style-type: none"> <li>The principles of franchising</li> <li>The advantages and disadvantages of using a franchise</li> <li>How to identify a suitable start-up location</li> </ul>	<p>Franchising:</p> <ul style="list-style-type: none"> <li>The option of starting up and running a franchise operation, 1.4.1</li> </ul> <p>Identifying a suitable location:</p> <ul style="list-style-type: none"> <li>Factors influencing business location, 1.4.2</li> </ul>

## 1.2 Showing enterprise

2009 specification content	2017 specification content
<p>What is enterprise?</p> <ul style="list-style-type: none"> <li>Enterprise involves taking risks, showing initiative, and a willingness to undertake new ventures</li> <li>The difference between providing goods or a service</li> </ul>	<p>What enterprise involves:</p> <ul style="list-style-type: none"> <li>The role of entrepreneurship, 1.1.3</li> <li>The role of business enterprise and the purpose of business activity, 1.1.3</li> </ul>
<p>Thinking creatively:</p> <ul style="list-style-type: none"> <li>Why thinking creatively is important in developing both competitive advantage and the new business</li> <li>Lateral thinking and deliberate creativity in developing new business ideas</li> </ul>	<p>Thinking creatively, lateral thinking and deliberate creativity are not included. You could continue to teach these concepts within the dynamic nature of business, 1.1.1</p>
<p>What questions do entrepreneurs ask?</p> <ul style="list-style-type: none"> <li>Questions to ask when coming up with new business ideas</li> <li>The concept of looking beyond the obvious, asking What if? And judging the value of outcomes</li> </ul>	<p>This content is not included. You could continue to teach these concepts within the dynamic nature of business, 1.1.1 and within the role of business enterprise, 1.1.3</p>
<p>Invention and innovation – generating new business ideas:</p> <ul style="list-style-type: none"> <li>How new business ideas come about</li> <li>The difference between innovation and invention</li> <li>Patents and copyright</li> </ul>	<p>Generating new business ideas:</p> <ul style="list-style-type: none"> <li>The dynamic nature of business, 1.1.1</li> </ul> <p>Protecting ideas through patents and copyright is not included. You could continue to teach these concepts within the dynamic nature of business, 1.1.1</p>
<p>Taking a calculated risk:</p> <ul style="list-style-type: none"> <li>The principle of taking a calculated risk</li> <li>Weighing up risks and the rewards</li> <li>To see mistakes as part of the process of learning to succeed</li> </ul>	<p>Risk and reward:</p> <ul style="list-style-type: none"> <li>The impact of risk and reward on business activity, 1.1.2</li> </ul> <p>The principle of calculated risk and seeing mistakes as part of the process is not explicitly included. These ideas can be discussed as part of risk and reward, 1.1.2</p>
<p>Other important enterprise skills:</p> <ul style="list-style-type: none"> <li>The importance of planning, thinking ahead, seeing opportunities, having drive and determination</li> <li>Making connections, using mindmaps to collect thoughts and see opportunities</li> </ul>	<p>This content is not included. You could continue to teach these concepts throughout theme 1 and notably as part of the dynamic nature of business, 1.1.1 and the role of business enterprise, 1.1.3</p>

### 1.3 Putting a business idea into practice

2009 specification content	2017 specification content
<p>Objectives when starting up:</p> <ul style="list-style-type: none"> <li>• Financial objectives</li> <li>• Non-financial objectives</li> </ul>	<p>Objectives when starting up:</p> <ul style="list-style-type: none"> <li>• What business aims and objectives are, 1.3.1</li> <li>• Business aims and objectives, 1.3.1</li> <li>• Why aims and objectives differ between businesses, 1.3.1</li> </ul>
<p>The qualities shown by entrepreneurs:</p> <ul style="list-style-type: none"> <li>• Determination and initiative</li> <li>• The willingness to take risks and make decisions</li> <li>• The ability to plan and persuade</li> <li>• Showing leadership</li> <li>• The role of luck in business success/failure</li> </ul>	<p>Entrepreneurs:</p> <ul style="list-style-type: none"> <li>• The role of entrepreneurship, 1.1.3</li> </ul> <p>The qualities shown by entrepreneurs are not explicitly included but could be taught within 1.1.3</p>
<p>Estimating revenues, costs and profits:</p> <ul style="list-style-type: none"> <li>• Forecast sales volumes and selling prices to estimate revenue</li> <li>• Fixed and variable costs</li> <li>• The difference between price and cost and the concept of profit</li> <li>• Profit</li> <li>• Impact of profit and losses</li> </ul>	<p>Revenues, costs and profits:</p> <ul style="list-style-type: none"> <li>• The concepts and calculation of revenue, costs, profit and loss, 1.3.2</li> </ul>
<p>Forecasting cash flows:</p> <ul style="list-style-type: none"> <li>• Role and importance of cash</li> <li>• Monthly cash inflows and outflows, net and cumulative cash flows</li> <li>• How cash flows are affected by stock levels and credit terms</li> <li>• Cash flow problems</li> <li>• Role and importance of a business plan</li> </ul>	<p>Forecasting cash flow:</p> <ul style="list-style-type: none"> <li>• The importance of cash to a business, 1.3.3</li> <li>• Calculation and interpretation of cash flow forecasts, 1.3.3</li> </ul> <p>Business plan:</p> <ul style="list-style-type: none"> <li>• The role and importance of a business plan, 1.4.4</li> <li>• The purpose of planning business activity, 1.4.4</li> </ul>
<p>Obtaining:</p> <ul style="list-style-type: none"> <li>• Sources of finance</li> <li>• Long-term sources</li> <li>• Short-term sources</li> </ul>	<p>Sources of finance:</p> <ul style="list-style-type: none"> <li>• For a start-up or established small business, 1.3.4</li> </ul>

## 1.4 Making the start-up effective

2009 specification content	2017 specification content
<p>Customer focus:</p> <ul style="list-style-type: none"> <li>Anticipate, identify and meet customer needs</li> </ul>	<p>Customer needs:</p> <p>Understanding customer needs:</p> <ul style="list-style-type: none"> <li>The role of business enterprise and the purpose of business activity, 1.1.3</li> <li>Identifying and understanding customer needs, 1.2.1</li> </ul>
<p>The marketing mix:</p> <ul style="list-style-type: none"> <li>Price, product, promotion and place</li> <li>Different businesses place different emphasis on elements</li> </ul>	<p>The marketing mix:</p> <ul style="list-style-type: none"> <li>What the marketing mix is and importance of each element, 1.4.3</li> <li>How the elements work together, 1.4.3</li> </ul>
<p>The importance of limited liability:</p> <ul style="list-style-type: none"> <li>Limited and unlimited liability</li> <li>Differences between sole trader and private limited company</li> </ul>	<p>Limited liability:</p> <ul style="list-style-type: none"> <li>Concept of limited liability, 1.4.1</li> </ul> <p>Sole trader and private limited company:</p> <ul style="list-style-type: none"> <li>Types of business ownership for start-ups, 1.4.1</li> </ul>
<p>Start-up legal and tax issues:</p> <ul style="list-style-type: none"> <li>Unique trading name and business name</li> <li>Implications of VAT, income tax, National Insurance and Corporation Tax</li> </ul>	<p>This content is not included. You could continue to teach these concepts within the economy and business, 1.5.4 and the importance of external influences, 1.5.5</p>
<p>Effective on-time delivery and customer satisfaction:</p> <ul style="list-style-type: none"> <li>Effective customer service includes fulfilling orders accurately and on-time and dealing with complaints</li> <li>The importance of customer satisfaction</li> <li>The importance of repeat purchase</li> </ul>	<p>Customer service:</p> <ul style="list-style-type: none"> <li>The sales process, 2.3.4</li> <li>The importance to businesses of providing good customer service, 2.3.4</li> <li>Working with suppliers, 2.3.2</li> </ul> <p>Repeat purchase is not explicitly included. You could continue to teach this within the marketing mix, 1.4.3</p>
<p>Recruiting, training and motivating staff:</p> <ul style="list-style-type: none"> <li>Basic processes involved in recruiting staff</li> <li>Importance of skill versus attitude</li> <li>Importance of treating staff fairly and understanding of impact of relevant legislation</li> </ul>	<p>Recruiting, training and motivating:</p> <ul style="list-style-type: none"> <li>Effective recruitment, 2.5.2</li> <li>Effective training, 2.5.2</li> </ul> <p>Legislation:</p> <p>The purpose and impact of legislation on businesses (employment law), 1.5.3</p>

## 1.5 Understanding the economic context

2009 specification content	2017 specification content
<p>Market demand and supply:</p> <ul style="list-style-type: none"> <li>• Balance between supply and demand</li> <li>• Difference between commodity and normal markets</li> <li>• Effect on small firms of price changes in raw materials and energy costs</li> </ul>	<p>This content is not included.</p>
<p>Impact of changes in interest rates on small businesses:</p> <ul style="list-style-type: none"> <li>• How changing interest rates affect small firms</li> <li>• Impact of changing interest rates on consumer spending</li> </ul>	<p>Interest rates and impact on consumer spending:</p> <ul style="list-style-type: none"> <li>• The impact of the economic climate on businesses, 1.5.4</li> <li>• The importance of external influences on business, 1.5.5</li> </ul>
<p>Impact of changes in exchange rates:</p> <ul style="list-style-type: none"> <li>• What exchange rates are</li> <li>• How changes affect smalls firms that trade abroad</li> <li>• Impact of changing prices on imported and exported goods</li> <li>• Calculate exchange rates</li> </ul>	<p>Exchange rates:</p> <ul style="list-style-type: none"> <li>• The impact of the economic climate on businesses, 1.5.4</li> <li>• The importance of external influences on business, 1.5.5</li> </ul> <p>Imports and exports:</p> <ul style="list-style-type: none"> <li>• The impact of globalisation on businesses, 2.1.3</li> </ul>
<p>How do business cycles affect small businesses?</p> <ul style="list-style-type: none"> <li>• Changes in the level of economic activity can affect small businesses</li> </ul>	<p>Changes in economic activity:</p> <ul style="list-style-type: none"> <li>• The impact of the economic climate on businesses, 1.5.4</li> </ul>
<p>What effect do business decisions have on stakeholders?</p> <ul style="list-style-type: none"> <li>• Stakeholders</li> <li>• Business decisions have different effects on different stakeholders</li> </ul>	<p>Stakeholders:</p> <ul style="list-style-type: none"> <li>• Who business stakeholders are and their different objectives, 1.5.1</li> <li>• Stakeholders and businesses, 1.5.1</li> </ul>

## Unit 2: Investigating small business

Students are no longer required to research, analyse and evaluate a selected task on enterprise issues.

## Unit 3: Building a business

### 3.1 Marketing

2009 specification content	2017 specification content
Marketing: <ul style="list-style-type: none"> <li>• Meaning of the term marketing</li> </ul>	This is not explicitly included but marketing content is covered in the marketing mix, 1.4.3 and making marketing decisions, 2.2
Market research: <ul style="list-style-type: none"> <li>• How to collect and interpret quantitative and qualitative research data to help decide on issues such as appropriate marketing mix</li> </ul>	Market research: <ul style="list-style-type: none"> <li>• Methods of market research, 1.2.2</li> <li>• The purpose of market research, 1.2.2</li> <li>• Using the marketing mix to make business decisions, 2.2.5</li> <li>• The use and interpretation of quantitative business data (marketing data), 2.4.2</li> </ul>
Product trial and repeat purchase: <ul style="list-style-type: none"> <li>• Concept of breaking sales into product trial and repeat purchase</li> </ul>	Product trial and repeat purchase are not explicitly included. You could continue to teach this within the marketing mix, 1.4.3 and within making marketing decisions, 2.2
Product life cycle: <ul style="list-style-type: none"> <li>• Four phases of the product life cycle, extensions strategies, product portfolio analysis through the Boston Matrix</li> </ul>	Product life cycle and extension strategies: <ul style="list-style-type: none"> <li>• The product life cycle, 2.2.1</li> </ul> Product portfolio analysis through the Boston Matrix is not explicitly included. You could continue to teach this within the product life cycle, 2.2.1
Branding and differentiation: <ul style="list-style-type: none"> <li>• Importance of brands and the need to differentiate</li> </ul>	Branding: <ul style="list-style-type: none"> <li>• Promotion, 2.2.2</li> </ul> Differentiation: <ul style="list-style-type: none"> <li>• The importance to a business of differentiating a product, 2.2.1</li> </ul>
Building a successful marketing mix: <ul style="list-style-type: none"> <li>• The importance of managing a brand through price, product, place and promotion</li> </ul>	Marketing mix: <ul style="list-style-type: none"> <li>• How each element of the marketing mix can influence other elements, 2.2.5</li> </ul>

### 3.2 Meeting customer needs

2009 specification content	2017 specification content
Design and research development: <ul style="list-style-type: none"> <li>• The design mix</li> </ul>	The design mix: <ul style="list-style-type: none"> <li>• Product, 2.2.1</li> </ul>
Managing stock and quality: <ul style="list-style-type: none"> <li>• Interpret bar gate stock graphs</li> <li>• Advantages and drawbacks of different stock control methods</li> <li>• Quality control versus quality assurance</li> </ul>	Managing stock: <ul style="list-style-type: none"> <li>• Managing stock, 2.3.2</li> </ul> Quality: <ul style="list-style-type: none"> <li>• The concept of quality and its importance to a business, 2.3.3</li> </ul>
Cost-effective operations and competitiveness: <ul style="list-style-type: none"> <li>• Keeping productivity up and costs down</li> </ul>	Production processes: <ul style="list-style-type: none"> <li>• The impact of different types of production processes, 2.3.1</li> </ul>
Effective customer service: <ul style="list-style-type: none"> <li>• Providing customers with the service level they want</li> <li>• Disadvantages of poor customer service</li> </ul>	Customer service: <ul style="list-style-type: none"> <li>• The sales process, 2.3.4</li> <li>• The importance to a business of providing good customer service, 2.3.4</li> </ul>
Meeting consumer protection laws: <ul style="list-style-type: none"> <li>• Purpose and effects of the Trade Descriptions and Sale of Goods legislation</li> </ul>	Legislation: <ul style="list-style-type: none"> <li>• The purpose and impact of legislation on businesses (consumer law), 1.5.3</li> </ul>

### 3.3 Effective financial management

2009 specification content	2017 specification content
<p>How to improve cash flow:</p> <ul style="list-style-type: none"> <li>Establishing more favourable credit terms</li> <li>Analysing the difference between increasing cash inflows and reducing cash outflows</li> </ul>	<p>Cash-flow:</p> <ul style="list-style-type: none"> <li>Cash and cash-flow, 1.3.3</li> <li>The use and interpretation of quantitative business data (financial data), 2.4.1</li> </ul>
<p>How to improve profit:</p> <ul style="list-style-type: none"> <li>Cutting costs and increasing revenues, and impact of price changes on profit</li> </ul>	<p>Profit:</p> <ul style="list-style-type: none"> <li>Business revenues, costs and profits, 1.3.2</li> <li>The use and interpretation of quantitative business data (financial data), 2.4.1</li> </ul>
<p>Break-even charts and break-even analysis:</p> <ul style="list-style-type: none"> <li>Draw and interpret break-even charts, calculate break-even point and margin of safety</li> <li>How changes to price and costs affect break-even point</li> <li>Using break-even analysis</li> </ul>	<p>Break-even charts and break-even analysis:</p> <ul style="list-style-type: none"> <li>The concept and calculation of break even level of output and margin of safety, 1.3.2</li> <li>Interpretation of break even diagrams, 1.3.2</li> </ul>
<p>Financing growth:</p> <ul style="list-style-type: none"> <li>From internal sources and external sources, including stock market flotation</li> </ul>	<p>Financing growth:</p> <ul style="list-style-type: none"> <li>Sources of finance for growing and established businesses, 2.1.1</li> <li>The types of business ownership for growing businesses (PLC), 2.1.1</li> </ul>

### 3.4 Effective people management

2009 specification content	2017 specification content
<p>Organisational structure:</p> <ul style="list-style-type: none"> <li>• Divisional structure, levels of hierarchy, chains of command and centralised versus decentralised systems</li> </ul>	<p>Organisational structure:</p> <ul style="list-style-type: none"> <li>• Different organisational structures and when each are appropriate, 2.5.1</li> </ul>
<p>Motivation theory:</p> <ul style="list-style-type: none"> <li>• Significance of motivation in the workplace, with specific focus on Maslow’s Hierarchy of Needs</li> <li>• The idea that motivation comes from within</li> </ul>	<p>Motivation:</p> <ul style="list-style-type: none"> <li>• The importance of motivation in the workplace, 2.5.4</li> <li>• How businesses motivate employees, 2.5.4</li> </ul> <p>Maslow is not explicitly included. You could continue teaching this (and other motivation theories) within 2.5.4</p> <p>The idea that motivation comes from within is not explicitly included.</p>
<p>Communication:</p> <ul style="list-style-type: none"> <li>• Impact of insufficient or excessive communication on efficiency, impact on staff and their motivation and barriers to effective communication</li> </ul>	<p>Communication:</p> <ul style="list-style-type: none"> <li>• The importance of effective communication, 2.5.1</li> </ul>
<p>Remuneration:</p> <ul style="list-style-type: none"> <li>• The impact on staff of various payment strategies</li> <li>• The impact on business of different payment systems</li> </ul>	<p>Remuneration:</p> <ul style="list-style-type: none"> <li>• How businesses motivate employees (financial methods), 2.5.4</li> </ul> <p>Payment systems:</p> <ul style="list-style-type: none"> <li>• Different types of technology used by business, 1.5.2</li> </ul>

### 3.5 The wider world affecting business

2009 specification content	2017 specification content
<p>Ethics in business:</p> <ul style="list-style-type: none"> <li>• The meaning of the term ethics in business</li> <li>• Possible trade-off between ethics and profit</li> <li>• Importance of potential effects of pressure group activity</li> </ul>	<p>Ethics:</p> <ul style="list-style-type: none"> <li>• The impact of ethical and environmental considerations on businesses, 2.1.4</li> </ul> <p>Pressure groups:</p> <ul style="list-style-type: none"> <li>• The impact of ethical and environmental considerations on businesses, 2.1.4</li> </ul>
<p>Environmental issues:</p> <ul style="list-style-type: none"> <li>• How businesses affect the environment</li> <li>• Importance of short-term and long-term environmental effects</li> </ul>	<p>The environment:</p> <ul style="list-style-type: none"> <li>• The impact of ethical and environmental considerations on businesses, 2.1.4</li> </ul>
<p>Economics issues affecting international trade:</p> <ul style="list-style-type: none"> <li>• The extremes of income distribution internationally</li> <li>• The effect of import and export subsidy on businesses</li> </ul>	<p>Income distribution internationally and subsidies are not included.</p> <p>The impact of globalisation on businesses (imports and exports) and how businesses compete internationally are covered in 2.1.3.</p>
<p>The impact of government and the EU:</p> <ul style="list-style-type: none"> <li>• Impact of regulation and taxation, and benefits and drawbacks of minimum wage, maternity/paternity rights and health and safety regulations on businesses</li> </ul>	<p>This content is not explicitly included.</p> <p>The impact of government taxation and impact of legislation on business is covered in 1.5.3 and 1.5.4. The importance of external influences and possible responses by businesses are covered in 1.5.5.</p>

### Unit 4: Business communications

This unit covered the purpose and process of communication, considering how and why businesses communicate with their various stakeholders, the appropriateness of the different methods of business communication and the variety of communication tools.

GCSE Business Communications is a discontinued qualification from 2017 so this unit will not be available as part of the new GCSE (9-1) in Business qualification. There is, however, an opportunity for students to explore some of this content within the new qualification, for example:

- The role of social media in collecting market research data, 1.2.2
- The impact of the Internet on location decisions, 1.4.2
- The impact of technology on the marketing mix, 1.4.3
- Different types of technology used by business and how technology influences business activity, 1.5.2
- Possible responses by the business to changes in technology, 1.5.5
- The use of technology in marketing decisions, 2.2.2, 2.2.3, 2.2.4
- The importance of effective communication, 2.5.1

## Content mapping: from 2009 specification

The GCSE (9-1) in Business content also allows concepts and examples from unit 4 to be brought into the teaching and learning or as part of transferable skills development.

### Unit 5: Introduction to Economic Understanding

This unit introduced the principles of economic understanding to provide a broad national and international perspective of the subject area.

GCSE Business Studies and Economics is a discontinued qualification from 2017 so this unit will not be available as part of the new GCSE (9-1) in Business qualification. There is however some opportunity for students to explore the economic context within the new qualification, for example:

- The impact of the economic climate on business, 1.5.4
- The importance of external influences on business, 1.5.5
- The impact of globalisation on businesses, 2.1.3

However, students wishing to develop an understanding of economics will need to take a new GCSE (9-1) in Economics from 2017.

# Assessment mapping

## 2009 specification

<p><b>Unit 1: Introduction to Small Business</b> Compulsory unit Externally assessed 25% of the total GCSE</p> <p>External assessment: 45 minutes Multiple choice and objective test questions (40 marks)</p>	<p><b>Unit 2: Investigating Small Business</b> Compulsory unit Internally assessed 25% of the total GCSE</p> <p>Internal assessment: Controlled assessment task (40 marks)</p>	<p><b>Unit 3: Building a Business</b> Compulsory for Business Studies pathway Externally assessed 50% of the total GCSE</p> <p>External assessment: 1 hour 30 minutes Multiple choice, short and extended answer (90 marks)</p> <p><b>Unit 4: Business Communication</b> Compulsory for Business Communication pathway Externally assessed 50% of the total GCSE</p> <p>External assessment: 1 hour 30 minutes Multiple choice, short and extended answer (90 marks)</p> <p><b>Unit 5: Introduction to Economic Understanding</b> Compulsory for Business Studies and Economics pathway Externally assessed 50% of the total GCSE</p> <p>External assessment: 1 hour 30 minutes Multiple choice, short and extended answer (90 marks)</p>
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## 2017 specification

The new qualification will be assessed in two equally weighted exam papers. There is no internal assessment.

<p><b>Theme 1: Investigating Small Business</b></p> <p>Compulsory paper 50% of the total GCSE</p> <p>External assessment: 1 hour 30 minutes Multiple choice, short and extended answer (90 marks)</p> <p>Questions will relate to the content that appears in Theme 1 and students may draw on underpinning knowledge and understanding developed through Theme 2 as appropriate.</p>	<p><b>Theme 2: Building a Business</b></p> <p>Compulsory paper 50% of the total GCSE</p> <p>External assessment: 1 hour 30 minutes Multiple choice, short and extended answer (90 marks)</p> <p>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.</p>
<p>Quantitative skills will be assessed in each paper and will comprise 10% of the total marks for the qualification.</p>	