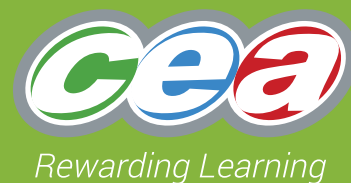


GCE



CCEA GCE Specification in Business Studies

Version 3: 13 November 2018

For first teaching from September 2016
For first award of AS level in Summer 2017
For first award of A level in Summer 2018
Subject Code: 3210

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QAN A Level	601/8980/0

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1 Introduction

This specification sets out the content and assessment details for our Advanced Subsidiary (AS) and Advanced GCE courses in Business Studies. First teaching is from September 2016.

Students can take:

- the AS course as a final qualification; or
- the AS units plus the A2 units for a full GCE A level qualification.

We assess the AS units at a standard appropriate for students who have completed the first part of the full course. A2 units have an element of synoptic assessment (to assess students' understanding of the subject as a whole), as well as more emphasis on assessment objectives that reflect higher order thinking skills.

The full Advanced GCE award is based on students' marks from the AS (40 percent) and the A2 (60 percent). The guided learning hours for this specification, as for all GCEs, are:

- 180 hours for the Advanced Subsidiary level award; and
- 360 hours for the Advanced level award.

We will make the first AS awards for the specification in 2017 and the first A level awards in 2018. The specification builds on the broad objectives of the Northern Ireland Curriculum.

If there are any major changes to this specification, we will notify centres in writing. The online version of the specification will always be the most up to date; to view and download this please go to www.ccea.org.uk

1.1 Aims

This specification aims to encourage students to:

- develop a lifelong interest in business;
- gain a holistic understanding of business and the international marketplace;
- develop a critical understanding of organisations and their relationship with key stakeholders;
- evaluate the role of technology in business communication, business operation and decision making;
- generate enterprising and creative solutions to business problems and issues;
- understand the ethical dilemmas and responsibilities faced by organisations and business decision makers;
- develop advanced study skills that help them prepare for third level education; and
- acquire a range of relevant business and generic skills including decision making, problem solving and interpretation of management information.

1.2 Key features

The following are important features of this specification.

- It includes four assessment units: two at AS level and two at A2 level.
- All assessment is external.
- It allows students to develop their subject knowledge, understanding and skills.
- Assessment at A2 includes more question types, more demanding evaluative tasks, extended writing, and synoptic assessment that encourages students to develop their understanding of the subject as a whole.
- It enables progression to higher education, training and employment.
- A range of support is available, including specimen assessment materials, exemplar schemes of work and teacher guidance.

1.3 Prior attainment

No prior attainment is required, although students would benefit from good standards of literacy and numeracy.

1.4 Classification codes and subject combinations

Every specification has a national classification code that indicates its subject area. The classification code for this qualification is 3210.

Please note that if a student takes two qualifications with the same classification code, universities and colleges that they apply to may take the view that they have achieved only one of the two GCEs. The same may occur with any two GCE qualifications that have a significant overlap in content, even if the classification codes are different. Because of this, students who have any doubts about their subject combinations should check with the universities and colleges that they would like to attend before beginning their studies.

2 Specification at a Glance

The table below summarises the structure of the AS and A level courses:

Content	Assessment	Weightings
AS 1: Introduction to Business	External written examination 1 hour 30 mins Two compulsory structured data responses (80 marks)	50% of AS 20% of A level
AS 2: Growing the Business	External written examination 1 hour 30 mins Two compulsory structured data responses (80 marks)	50% of AS 20% of A level
A2 1: Strategic Decision Making	External written examination 2 hours Five compulsory structured data responses (90 marks)	30% of A level
A2 2: The Competitive Business Environment	External written examination 2 hours Six compulsory structured data responses (90 marks)	30% of A level

3 Subject Content

We have divided this course into four units: two units at AS level and two units at A2. This section sets out the content and learning outcomes for each unit.

3.1 Unit AS 1: Introduction to Business

This unit introduces students to the business world. It begins, as many businesses do, with the entrepreneur and what motivates individuals to develop business enterprises. Students become familiar with different business ownership structures and the key stakeholder groups that may have an interest in how a business is managed.

Students acquire a critical understanding of the importance of quality and its significance in the competitive marketplace, including recruiting and training a quality labour force and the production process. Students should appreciate the impact of management and leadership styles on employee motivation and business operations.

Students may use a calculator in the examination for this unit.

Assessment for this unit consists of a written examination that includes both short and extended questions. For more details, see Section 6.

Content	Learning Outcomes
Enterprise and entrepreneurship Key resources of a business enterprise Motivation to set up in business Entrepreneurial characteristics	Students should be able to: • demonstrate and apply knowledge and understanding of what a business enterprise is and the factors of production associated with it; • analyse the range of motives an individual may have to become an entrepreneur – to make money, to take advantage of opportunities, or to create their own job; and • analyse the key characteristics of the successful entrepreneur – to be determined, a calculated risk-taker or innovative.

Content	Learning Outcomes
Central purpose of business activity Adding value Competitive advantage Forms of business ownership Stakeholder groups	Students should be able to: • demonstrate and apply knowledge and understanding of the importance of adding value and how to achieve added value; • analyse and evaluate different approaches to adding value; • demonstrate and apply knowledge and understanding of how businesses can achieve a competitive advantage through strategies including cost advantage and differentiation advantage; • analyse and evaluate different approaches to achieving competitive advantage; • demonstrate and apply knowledge and understanding of the main features and requirements of the following forms of business: – sole trader; – partnerships; – limited companies; – private and public limited companies; – franchises; and – social enterprises (to include the charitable and voluntary sector); • analyse and evaluate issues relating to forms of business organisation; • identify key stakeholder groups and explain their interest in business, including owners, staff, suppliers, customers, creditors, lenders (short-term and long-term), pressure groups, local communities and government; and • evaluate how businesses and stakeholder groups make effective use of social media.

Content	Learning Outcomes
Markets and market forces Consumer goods and services market Capital goods market Labour market Mass and niche markets Demand and supply Quality management What is quality? Approaches to and measures of quality TQM Quality Assurance Quality Control ISO 9000	Students should be able to: • demonstrate and apply knowledge and understanding of the following features of the types of markets: – size; – location; – market share; and – differentiation of products; • analyse the features of these markets; • analyse how business activity is affected by the market; • demonstrate and apply knowledge and understanding of the concepts of demand and supply; • analyse the factors that influence demand and supply, including the construction and interpretation of simple demand and supply curves; • demonstrate and apply knowledge and understanding of what quality means to a business, including performance, reliability, cost-effectiveness or gaining competitive advantage through attracting and retaining customers; • demonstrate and apply knowledge and understanding of approaches to and measurements of quality; • analyse different approaches to quality; and • evaluate issues relating to quality management, including: – the need for a quality policy; and – the advantages and disadvantages of different approaches to quality.

Content	Learning Outcomes
Productivity and investment Methods of production Organisational design Centralisation vs decentralisation Outsourcing	Students should be able to: • demonstrate knowledge and understanding of the different methods of production, including job, batch, flow, cell and lean; • analyse which method of production is most suitable in a particular situation; • demonstrate and apply knowledge and understanding of productivity, the factors affecting it and the need for investment, innovation and research and development; • analyse the factors influencing innovation and R and D; • analyse the factors affecting productivity in relation to: – machinery (investment in new machinery or maintenance of machinery); and – workers (skills and training or levels of motivation); • demonstrate and apply knowledge and understanding of organisational design; • analyse issues related to organisational design; • demonstrate and apply knowledge and understanding of centralised and decentralised, and tall and flat structures; • analyse issues relating to outsourcing services; and • analyse issues relating to the use of service companies and the advantages and disadvantages of outsourcing.

Content	Learning Outcomes
Investing in people People investment and planning Training and Development Recruitment and selection Psychometric testing Appraisal Online technology	Students should be able to: • demonstrate and apply knowledge and understanding of the factors that determine decisions about people investment planning (succession planning, skills audits, staff training requirements for existing staff and future needs of the organisation); • demonstrate and apply knowledge and understanding of different training and development methods to include: – induction training; – on-the-job training; – off-the-job training; and – Continuing Professional Development (CPD); • analyse the different training methods; • demonstrate and apply knowledge and understanding of internal and external recruitment; • analyse internal and external recruitment; • demonstrate and apply knowledge and understanding of the selection and appointment process; • demonstrate and apply knowledge and understanding of the use of psychometric testing in the evaluation of employees; • demonstrate and apply knowledge and understanding of appraisal; • evaluate issues relating to investing in people, including: – the advantages and disadvantages of people investment planning; and – different methods of recruitment, selection, training and appraisal; and • evaluate the issues, features and impacts of the use of online technology in relation to recruitment, selection, training and appraisal.

Content	Learning Outcomes
Motivation Management theorists Monetary methods of motivation Non-monetary methods of motivation Principles of management and leadership Management and leadership styles	Students should be able to: • demonstrate and apply knowledge and understanding of the theories of Taylor, Maslow and Herzberg; • analyse and evaluate these motivation theories; • demonstrate and apply knowledge and understanding of monetary methods of motivation, including time rate, piece rate, commission, fees, fringe benefits, profit sharing and performance-related pay; • analyse and evaluate monetary methods of motivation; • demonstrate and apply knowledge and understanding of non-monetary methods of motivation, job enrichment, job enlargement, job rotation, employee participation and empowerment, quality circles and team working; • analyse and evaluate non-monetary methods of motivation; • demonstrate and apply knowledge and understanding of the different styles of management and leadership (authoritarian, paternalistic, laissez-faire and democratic); and • evaluate the impact of these styles of management and leadership on the motivation of staff.

3.2 Unit AS 2: Growing the Business

Students explore the role of technology in growing a business and how it helps with decision making. They also understand the impact of competition on a business. Students develop a critical understanding of the marketing process, marketing strategy and the use of e-business.

Students also develop an appreciation of the role of accounting and financial information in business decision making and financial control.

Students may use a calculator in the examination for this unit.

Assessment for this unit consists of a written examination that includes both short and extended questions. For more details, see Section 6.

Content	Learning Outcomes
Spectrum of competition Market share, market growth and market size	Students should be able to: • demonstrate and apply knowledge of competition in the context of the business environment and how competition can influence a business organisation; • demonstrate and apply knowledge and understanding of market share, market growth and market size; • analyse market share, market growth and market size;
Degree of competition in the market (market structures)	• demonstrate and apply knowledge and understanding of different market structures; and • analyse factors determining the degree of competition in a market.

Content	Learning Outcomes
Market research Reasons for market research Types of primary and secondary market research Sampling Qualitative and quantitative research	Students should be able to: • demonstrate and apply knowledge and understanding of market research; • analyse the reasons for market research; • demonstrate and apply knowledge and understanding of the following market research methods: – questionnaires; – interviews; – observation; – focus groups; – consumer panels; – surveys (post, internet, email, telephone and face-to-face); – test markets; and – store loyalty cards; • analyse and evaluate these market research methods; • demonstrate and apply knowledge and understanding of the following sampling methods: – random; – quota; – stratified; and – cluster sampling; and • analyse and evaluate methods of sampling.

Content	Learning Outcomes
Marketing mix	Students should be able to: • demonstrate and apply knowledge and understanding of the following elements of the marketing mix: – product (design and use of products or services); – price (skimming, penetration, value based and cost plus); – promotion (advertising, special offers and joint ventures); – place (retail, wholesale, mail order, internet and direct sales); – people (employees, management and customer service); – processes (service delivery and service consumption); and – physical environment (facilities, infrastructure and service delivery); • analyse each element of the marketing mix; • evaluate issues relating to the different elements of the marketing mix for a product or service, taking account of the marketing objectives of a business;
Elasticity of demand	• interpret price and income elasticity of demand and analyse the impact of changes in price and income on revenue;
Product life cycle Stages	• demonstrate and apply knowledge and understanding of the product life cycle, including extension strategies; • analyse the product life cycle, including the need to have a balanced portfolio of products and the cash flow and revenue implications; and
Extension strategies	• evaluate issues relating to the product life cycle, including its usefulness to a business and possible extension strategies.

Content	Learning Outcomes
Market planning and strategy Marketing plan Market segmentation E-Business/ E-Commerce Nature of e-business Growth in business use of social media Sources of finance Internal and external sources of finance	Students should be able to: • demonstrate and apply knowledge and understanding of a marketing plan, including product development (new and existing), SWOT (Strengths, Weaknesses, Opportunities and Threats) analysis, market research, market positioning, business objectives, marketing strategies and a marketing budget; • demonstrate and apply knowledge and understanding of market segmentation; • analyse how markets might be segmented; • evaluate issues relating to market planning and strategy, including the usefulness of a marketing plan, or the need to segment a market; • demonstrate and apply knowledge and understanding of how business might use e-business and digital marketing, including advertising, market research and sales channels, in a range of business scenarios; • analyse and evaluate the increasing use of the internet, social media and mobile technologies to enhance marketing or selling activities, including mobile ticketing and mobile marketing; • evaluate how useful e-business is to businesses, including access to a worldwide market, lower transaction costs or bypassing intermediaries, and to consumers, including wider choice, saving money and 24 hour shopping, in a range of business scenarios; and • demonstrate and apply knowledge and understanding of internal and external sources of finance (debt and equity).

Content	Learning Outcomes
Break-even analysis	Students should be able to: • demonstrate and apply knowledge and understanding of break-even charts; • draw break-even charts;
Margin of safety	• calculate break-even point and margin of safety, using both formulae and break-even charts; • demonstrate and apply knowledge and understanding of the effects of a change in fixed cost, variable cost or selling price;
Contribution	• analyse contribution and identify the output required to obtain a target level of profit and calculate margin of safety; • evaluate issues relating to break-even analysis, including its usefulness to a business;
Cash flow Difference between cash and profit	• explain the difference between cash and profit; • demonstrate and apply knowledge and understanding of how to control cash flow;
Importance of cash flow	• analyse methods of improving cash flow and the consequences of these in the short term and long term; • demonstrate and apply knowledge and understanding of cash flow forecasts and their importance;
Cash flow forecast	• use appropriate calculations to construct and interpret a cash flow forecast; and • evaluate the importance of a cash flow forecast to a business.

Content	Learning Outcomes
Budgeting Benefits of budgeting Fixed and flexible Problems of preparing budgets Financial statements Final accounts	Students should be able to: • demonstrate and apply knowledge and understanding of the role of budgeting in decision making; • demonstrate and apply knowledge and understanding of fixed budgets (problems of settings); • demonstrate and apply knowledge and understanding of flexible budgets; • evaluate issues relating to budgeting, including the usefulness of budgeting and the advantages and disadvantages of fixed budgets; • demonstrate and apply knowledge and understanding of the income statement and statement of financial position of a sole trader, including assets and liabilities; • interpret the income statement and the statement of financial position; • calculate the following ratios from given formulae: – return on capital employed (ROCE); – net profit margin; – current ratio; and – gearing; • evaluate business performance using ratios; and • evaluate the usefulness of the information included in final accounts in assessing business performance.

3.3 Unit A2 1: Strategic Decision Making

Students identify business objectives and the potential for these to conflict with those of various stakeholder groups. Students analyse and evaluate stakeholder management strategies.

Students gain an insight into business planning and the need to manage risk and uncertainty when developing business strategies. They also analyse the importance of accounting and financial information in making strategic business decisions.

Students demonstrate quantitative skills **without** the use of given formulae. They may use a calculator in the examination for this unit.

Assessment for this unit consists of a written examination that includes both short and extended questions. For more details, see Section 6.

Content	Learning Outcomes
Business objectives Mission statements Factors influencing business objectives Short-term and long-term objectives Conflict Organisational culture	Students should be able to: - analyse and evaluate the relationship between mission statements, aims and organisational objectives, including survival, growth, profitability and non-financial objectives; - analyse and evaluate how businesses use mission statements; - analyse and evaluate the internal and external factors influencing business objectives; - analyse and evaluate the use of short-term and long-term objectives by a business; - analyse and evaluate when business objectives may conflict; - demonstrate and apply knowledge and understanding of organisational culture and its importance to a business; and - analyse and evaluate cultural issues related to key functional business areas.

Content	Learning Outcomes
Organisational culture (cont.) Models of culture in a business Factors influencing culture in a business Changing organisational culture in a business organisation Stakeholder objectives Communication Impact of technology on communications Barriers to effective communication	Students should be able to: - analyse and evaluate two models of culture prevalent in a business: – Handy; and – Hofstede (Multi-Focus Model); - analyse and evaluate the factors influencing culture in a business; - analyse and evaluate the changing organisational culture in a business organisation; - demonstrate and apply knowledge and understanding of how different stakeholders may have conflicting objectives; - analyse and evaluate the influence that different stakeholders have over determining business objectives; - analyse and evaluate strategies to deal with conflicting objectives; - demonstrate and apply knowledge and understanding of the impact of technology on communications; - analyse the impact of technology on communication channels; - demonstrate and apply knowledge and understanding of barriers to effective communication; - analyse the factors affecting the choice of communication channel; - analyse the barriers to effective communication; and - evaluate the impact of technology on communication.

Content	Learning Outcomes
Economies and diseconomies of scale	Students should be able to: • demonstrate and apply knowledge and understanding of internal and external economies and diseconomies of scale; • analyse internal and external economies and diseconomies of scale; • evaluate issues relating to investment and productivity, including the implications of growth for a business;
Business strategy and planning Business plan	• demonstrate and apply knowledge and understanding of a business plan; • analyse a business plan and evaluate its use;
Analyse the current position SWOT and PESTEL	• demonstrate and apply knowledge and understanding of SWOT and PESTEL (Political, Economic, Social, Technological, Environmental and Legal) analysis and analyse and evaluate them as decision making tools;
Sources of finance	• analyse and evaluate internal and external sources of finance; and
Developing and implementing strategies	• demonstrate and apply knowledge and understanding of Ansoff and Boston matrices and analyse and evaluate them as decision making tools.

Content	Learning Outcomes
Business strategy and planning (cont.) Porter's Generic Strategy Bowman's Strategy Clock Kaplan and Norton's Balanced Scorecard model Elkington's Triple Bottom Line Key Performance Indicators (KPIs)	Students should be able to: • use Porter's Generic Strategy and Bowman's Strategy Clock to analyse and evaluate how organisations create and maintain a competitive advantage and compete in terms of price and perceived added value; • use Kaplan and Norton's Balanced Scorecard model to evaluate organisational effectiveness against vision and strategy; • analyse and evaluate organisational performance in terms of Elkington's Triple Bottom Line (People, Planet and Profit); • demonstrate and apply knowledge and understanding of how KPIs are used to evaluate the success of a business or a particular activity it engages in;
Decision tree analysis Drawing a decision tree Making calculations Showing decisions	• construct a simple decision tree from given information, including financial estimates and probabilities; • analyse and evaluate outcomes from a decision tree; • analyse and evaluate decision trees as a tool for decision making;
Risk and uncertainty Contingency planning	• demonstrate, apply knowledge and understanding, analyse and evaluate the management of risk; and • evaluate the need for contingency planning.

Content	Learning Outcomes
Company accounts Interpreting company accounts Ratio analysis Performance ratios	Students should be able to: • demonstrate and apply understanding of company accounts; • analyse the difference between cash and profit; • analyse and interpret the published (final) accounts from a limited company using comparison over time and with competitors; • evaluate performance using the published (final) accounts of a limited company; • evaluate the limitations and usefulness of published (final) accounts in a range of business contexts; • calculate and analyse performance using ratio analysis to include: – profitability, ROCE, gross profit (GP)% and net profit (NP)%; – liquidity (current ratio); – gearing; and – shareholder ratios, earnings per share (EPS) and return on equity (ROE); • evaluate a business's performance using ratio analysis based on: – its performance over several years; and – comparison to a business operating in the same industry; and • analyse and evaluate the benefits and limitations of ratio analysis.

Content	Learning Outcomes
Investment appraisal Payback and Net Present Value (NPV)	Students should be able to: • demonstrate and apply knowledge and understanding of the reasons for investment appraisal; • calculate and interpret payback and NPV from given data; • analyse and evaluate the advantages and limitations of each method of appraisal; • analyse and evaluate the qualitative factors influencing investment decisions; and • analyse and evaluate investment options faced by a business.

3.4 Unit A2 2: The Competitive Business Environment

In this unit, students examine the macroeconomic framework that businesses operate in. They evaluate the impact of globalisation on business activities. Students develop an appreciation of the importance of ethics and sustainability on business decision making and culture. They also evaluate the influence of stakeholders on business operations.

Students examine how businesses are affected by and react to change in the dynamic and technology-driven business environment.

Students demonstrate quantitative skills **without** the use of given formulae. They may use a calculator in the examination for this unit.

Assessment for this unit consists of a written examination that includes six compulsory, structured data responses. For more details, see Section 6.

Content	Learning Outcomes
Macroeconomic framework Role of enterprise in resource allocation Mixed economy Business cycles Importance of business confidence	Students should be able to: • demonstrate and apply knowledge and understanding of the macroeconomic framework in which businesses operate; • analyse and evaluate the significance of a mixed economy, including social enterprise (including the charitable and voluntary sector); • analyse and evaluate the impact of business cycles; and • analyse and evaluate the importance of business confidence.

Content	Learning Outcomes
Government policies Government policy objectives Economic instruments used to achieve these objectives Effects of these objectives and instruments on business Business strategies to deal with government policy Globalisation Nature of global business Reasons for globalisation Global business strategies Foreign direct investment	Students should be able to: • evaluate the significance of government policy objectives, including: – economic growth; – sustainable development; – inflation; – employment; and – balance of payments; • analyse and evaluate instruments that the government uses to achieve policy objectives, including: – direct and indirect taxation, to include income tax, corporation tax, VAT, and custom and excise duties; – government expenditure; – interest rates; and – exchange rates; • evaluate the effects of various policy objectives and their impact on business; • evaluate the effects of government policies on businesses and appropriate counter-strategies; • demonstrate and apply knowledge and understanding of the global context in which a business operates; • analyse the reasons for globalisation; • apply knowledge and understanding of key global business strategies; • analyse and evaluate the issues relating to foreign direct investment, including the Bartlett and Ghoshal model; and

Content	Learning Outcomes
Methods of entering global markets	• evaluate methods of entering global markets, including franchising, joint ventures, licensing and direct investment.
Globalisation (cont.) Reasons for trading globally Impact of trading globally Opportunities/ Threats of globalisation Global marketing Regulations related to trading globally Global business data	Students should be able to: • analyse the reasons for trading globally; • evaluate the impact of trading globally; • evaluate the opportunities/threats of trading globally (including e-business); • analyse global marketing issues; • analyse the factors and regulations to be considered in trading globally; • evaluate the assistance available when trading globally; and • analyse and evaluate business (or related) data in a global context, including measures of performance, financial and non-financial, market analysis, trends, forecasts, percentage changes and key government statistics.

Content	Learning Outcomes
Business ethics and organisational culture Ethical codes Ethical issues Sustainability Sustainable business activities Corporate social responsibility (CSR) Influence of stakeholder groups Organisational design Organisational structures Chain of command Span of control De-layering	Students should be able to: • demonstrate and apply knowledge and understanding of the ethical responsibilities of businesses and how these impact on the organisational culture; • analyse ethical codes in the context of business activities; • evaluate ethics as a source of competitive advantage; • demonstrate and apply knowledge and understanding of sustainable business activities; • evaluate the impact of sustainable business activity; • evaluate corporate social responsibilities of a business using Carroll's Corporate Social Responsibility Pyramid; • analyse the possible outcomes of decisions taken on the business and on its stakeholders; • evaluate the various types of organisational structures in business; • demonstrate and apply knowledge and understanding of the chain of command, span of control and de-layering; • evaluate issues relating to the chain of command, span of control and de-layering; and • evaluate issues relating to organisational design.

Content	Learning Outcomes
Monopolies, mergers, takeovers and restrictive practices	Students should be able to: - analyse and evaluate: - monopolies; - mergers, including horizontal and vertical integration; and - takeovers, including hostile and friendly; - demonstrate and apply knowledge and understanding of the regulation of markets and the roles of the Competition and Markets Authority and regulatory bodies, including the Office of Communications (Ofcom) and the Water Services Regulation Authority (Ofwat); - evaluate issues relating to the spectrum of competition, including the implications of market structures for business and consumers;
Change Types of change in a business Importance of change in business activity Managing information as a resource in business Modelling change in a business context Causes and effects of change in business	- demonstrate and apply knowledge and understanding of change in a business; - analyse the types of change in a business; - evaluate the management of information as a resource in business; - evaluate the importance of change in business activity (Lewin's Force Field Analysis); - analyse and evaluate the modelling of change in a business context; and - analyse the causes and effects of change in business, including: - pressure groups; - business legislation; - growth and decline of a market; - diversification; and - modernisation.

Content	Learning Outcomes
Change (cont.) Resistance to change Strategies to overcome resistance to change	Students should be able to: • apply knowledge and understanding of – and analyse and evaluate the reasons for – resistance to change in a business context; and • apply knowledge and understanding of – and analyse and evaluate the strategies to overcome – resistance to change, including Kotter and Schlesinger’s model.

4 Scheme of Assessment

4.1 Assessment opportunities

Each unit is available for assessment in summer each year. It is possible to resit individual AS and A2 assessment units once and count the better result for each unit towards an AS or A level qualification. Candidates' results for individual assessment units can count towards a qualification until we withdraw the specification.

4.2 Assessment objectives

There are four assessment objectives for this specification. Candidates must be able to:

- demonstrate knowledge of terms, concepts, theories, methods and models to show an understanding of how individuals and organisations are affected by and respond to business issues (AO1);
- apply knowledge and understanding to various business contexts to show how individuals and organisations are affected by and respond to issues (AO2);
- analyse issues in a business, showing an understanding of the impact of external and internal influences on individuals and organisations (AO3); and
- evaluate quantitative and qualitative information to make informed judgements and propose evidence-based solutions to business issues (AO4).

4.3 Assessment objective weightings

The table below sets out the assessment objective weightings for each assessment unit and the overall A level qualification:

Percentage Assessment Objective Weightings						
	AO1	AO2	AO3	AO4	AS	A level
AS 1	5.3	5.0	5.2	4.5	20	20
AS 2	5.5	5.3	5.3	4.0	20	20
A2 1	6.3	8.0	6.3	9.3		30
A2 2	6.0	7.0	7.7	9.3		30
Total	23.1	25.3	24.5	27.1	40	100

4.4 Quantitative skills in business

To be able to develop their skills, knowledge and understanding in business, candidates need to have acquired competence in the quantitative skills that are relevant to the subject content. These skills, which are applied in the context of a business A level, include:

- calculating, using and understanding ratios, averages and fractions;
- calculating, using and understanding percentages and percentage changes;
- constructing and interpreting a range of standard graphical forms;
- calculating cost, revenue, profit and break-even;
- calculating investment appraisal outcomes and interpreting results;
- interpreting values of price and income elasticity of demand;
- using and interpreting quantitative and non-quantitative information in order to make decisions; and
- interpreting, applying and analysing information in written, graphical and numerical forms.

The assessment of quantitative skills includes at least Level 2 mathematical skills as a minimum of 10 percent of the overall AS marks and as a minimum of 10 percent of the overall A level marks.

These quantitative skills may be assessed across the assessment objectives.

4.5 Quality of written communication

In AS and A level Business Studies, candidates must demonstrate their quality of written communication. They need to:

- ensure that text is legible and that spelling, punctuation and grammar are accurate so that meaning is clear;
- select and use a form and style of writing that suit their purpose and complex subject matter; and
- organise information clearly and coherently, using specialist vocabulary where appropriate.

Quality of written communication is assessed in responses to questions and tasks that require extended writing.

4.6 Synoptic assessment at A2

The A2 assessment units include some synoptic assessment, which encourages candidates to develop their understanding of the subject as a whole. In our GCE Business Studies, synoptic assessment involves:

- building on content from the AS units;
- bringing together and making connections between areas of knowledge and skills that have been explored throughout the course;
- demonstrating quantitative skills **without** the use of given formulae; and
- gaining a holistic understanding of business to deal with the interrelationships between internal and external factors affecting business decision making.

4.7 Higher order thinking skills

The A2 assessment units provide opportunities to demonstrate higher order thinking skills by incorporating:

- the use of a variety of stems in questions;
- the inclusion of questions constructed with a deliberate incline of difficulty and decrease in structuring;
- a wider range of question types to address different skills, for example case studies and open-ended questions;
- questions that require candidates to make connections between sections of the specification; and
- extended writing where appropriate.

4.8 Reporting and grading

We report the results of individual assessment units on a uniform mark scale that reflects the assessment weighting of each unit.

We award AS qualifications on a five grade scale from A to E, with A being the highest. We award A level qualifications on a six grade scale from A* to E, with A* being the highest. To determine candidates' grades, we add the uniform marks obtained in individual assessment units.

To be awarded an A*, candidates need to achieve a grade A on their full A level qualification and at least 90 percent of the maximum uniform marks available for the A2 units. If candidates fail to attain a grade E, we report their results as unclassified (U).

The grades we award match the grade descriptions in Section 5 of this specification.

5 Grade Descriptions

Grade descriptions are provided to give a general indication of the standards of achievement likely to have been shown by candidates awarded particular grades. The descriptions must be interpreted in relation to the content in the specification; they are not designed to define that content. The grade awarded depends in practice upon the extent to which the candidate has met the assessment objectives overall. Shortcomings in some aspects of candidates' performance in the assessment may be balanced by better performances in others.

The requirement for all AS and A level specifications to assess candidates' quality of written communication will be met through all four assessment objectives.

AS Grade Descriptions

Grade	Description
AS Grade A	For AO1, candidates characteristically demonstrate thorough knowledge of terms, concepts, theories, methods and models to show a very good level of understanding of how individuals and organisations respond to business issues. For AO2, candidates characteristically: • demonstrate the ability to apply relevant knowledge and understanding to various business contexts to show how individuals and organisations are affected by and respond to complex issues; and • demonstrate knowledge and understanding of how individuals and organisations respond to issues. For AO3, candidates characteristically: • demonstrate the ability to analyse complex issues in a business by building logical and well developed arguments; • show an understanding of the impact of external and internal influences; and • use numerical and non-numerical techniques appropriately and accurately.

Grade	Description
	For AO4, candidates characteristically: • demonstrate the ability to distinguish between fact and opinion; • assess the appropriateness of information from a variety of sources; • make a reasoned evaluation of the sources considered; • use qualitative and quantitative information to make informed judgements; and • make logical and supported conclusions and recommendations.
AS Grade E	For AO1, candidates characteristically: • demonstrate a basic knowledge of terms, concepts, theories, methods and models contained in the AS specification; and • demonstrate some understanding of terminology, methods and models. For AO2, candidates characteristically: • demonstrate the ability to apply a basic level of relevant knowledge to show how individuals and organisations are affected by issues; and • show some knowledge and understanding of how individuals and organisations respond to issues. For AO3, candidates characteristically: • demonstrate the ability to provide partial analysis of issues in a business; • build arguments; and • use numerical and non-numerical techniques. For AO4, candidates characteristically: • demonstrate the ability to make some distinction between fact and opinion; • assess at a basic level the appropriateness of information from one or more sources; and • make a partial evaluation of the sources considered by offering judgements and stating conclusions.

A2 Grade Descriptions

Grade	Description
A2 Grade A	For AO1, candidates characteristically: • demonstrate detailed knowledge of terms, concepts, theories, methods and models contained in the A level specification, with few significant omissions; • show knowledge and understanding of the links between business concepts; • demonstrate clear understanding of terminology, methods and models; and • demonstrate detailed knowledge and clear understanding of the inter-connections between different elements of the subject content. For AO2, candidates characteristically: • demonstrate the ability to apply relevant knowledge and understanding to various business contexts to show how individuals and organisations are affected by issues; and • demonstrate knowledge of how individuals and organisations respond to issues. For AO3, candidates characteristically: • demonstrate the ability to analyse issues in a business by building logical arguments; • use numerical and non-numerical techniques appropriately and accurately; • analyse a business strategy; and • develop a business strategy. For AO4, candidates characteristically: • demonstrate the ability to distinguish between fact and opinion; • assess the appropriateness of information from a variety of sources; • make a reasoned evaluation of the sources considered; • demonstrate the ability to evaluate quantitative and qualitative information, make informed judgements and propose appropriate solutions; and • make reasoned recommendations.

Grade	Description
A2 Grade E	For AO1, candidates characteristically: • demonstrate a basic knowledge of terms, concepts, theories, methods and models contained in the A level specification; and • show some knowledge of the links between business concepts. For AO2, candidates characteristically: • demonstrate the ability to apply a basic level of relevant knowledge to show how individuals and organisations are affected by issues; and • show some knowledge and understanding of how individuals and organisations respond to issues. For AO3, candidates characteristically: • demonstrate the ability to provide partial analysis of issues in a business; • build arguments; • use numerical and non-numerical techniques; and • outline a business strategy. For AO4, candidates characteristically: • demonstrate the ability to make some distinction between fact and opinion; • assess at a basic level the appropriateness of information from one or more sources; • make a partial evaluation of the sources considered by offering judgements; and • make some recommendations.

6 Guidance on Assessment

There are four external assessment units in this specification, two at AS level and two at A2:

- AS 1: Introduction to Business;
- AS 2: Growing the Business;
- A2 1: Strategic Decision Making; and
- A2 2: The Competitive Business Environment.

The external assessment focuses on candidates' knowledge, understanding and analysis of the content of each unit.

6.1 AS 1: Introduction to Business

For AS 1, there is a 1 hour 30 minute external assessment consisting of two short unseen case studies. The total marks available are 80. Each case study has one compulsory question in four parts, with 40 marks available for each question. We assess quality of written communication in this paper. Candidates may use a calculator.

6.2 AS 2: Growing the Business

For AS 2, there is a 1 hour 30 minute external assessment consisting of two short unseen case studies. The total marks available are 80. Each case study has one compulsory question in four parts, with 40 marks available for each question. We assess quality of written communication in this paper. Candidates may use a calculator.

6.3 A2 1: Strategic Decision Making

For A2 1, there is a 2 hour external assessment consisting of an extended unseen case study. The total marks available are 90. The case study has five compulsory questions. We assess quality of written communication in this paper. Students demonstrate quantitative skills **without** the use of given formulae. Candidates may use a calculator.

6.4 A2 2: The Competitive Business Environment

For A2 2, there is a two hour external assessment consisting of an external unseen case study. The total marks available are 90. The case study has six compulsory structured data response questions. We assess quality of written communication in questions 2, 3, 4, 5 and 6. Students demonstrate quantitative skills **without** the use of given formulae. Candidates may use a calculator.

7 Links and Support

7.1 Support

The following resources are available to support this specification:

- our Business Studies microsite at www.ccea.org.uk
- specimen assessment materials; and
- guidance notes for teachers.

We also intend to provide:

- past papers and mark schemes;
- Chief Examiner's reports;
- schemes of work;
- centre support visits;
- support days for teachers;
- a resource list; and
- exemplification of standards.

7.2 Curriculum objectives

This specification supports centres to build on the broader Northern Ireland Curriculum objectives to develop the young person:

- as an individual;
- as a contributor to society; and
- as a contributor to the economy and environment.

It can contribute to meeting the requirements of the Northern Ireland Entitlement Framework at post-16 and the provision of a broad and balanced curriculum.

Curriculum Progression from Key Stage 4

This specification builds on learning from Key Stage 4 and gives students opportunities to develop their subject knowledge and understanding further.

Students will also have opportunities to continue to develop the **Cross-Curricular Skills** and the **Thinking Skills and Personal Capabilities** shown below. The extent of this development depends on the teaching and learning methodology the teacher uses.

Cross-Curricular Skills

- Communication:
 - Talking and Listening
 - Reading
 - Writing
- Using Mathematics
- Using ICT

Thinking Skills and Personal Capabilities

- Problem Solving
- Working with Others
- Self-Management

For further guidance on the skills and capabilities in this subject, please refer to the supporting schemes of work.

7.3 Examination entries

Entry codes for this subject and details on how to make entries are available on our Qualifications Administration Handbook microsite, which you can access at www.ccea.org.uk

Alternatively, you can telephone our Examination Entries, Results and Certification team using the contact details provided.

7.4 Equality and inclusion

We have considered the requirements of equality legislation in developing this specification and designed it to be as free as possible from ethnic, gender, religious, political and other forms of bias.

GCE qualifications often require the assessment of a broad range of competences. This is because they are general qualifications that prepare students for a wide range of occupations and higher level courses.

During the development process, an external equality panel reviewed the specification to identify any potential barriers to equality and inclusion. Where appropriate, we have considered measures to support access and mitigate barriers.

We can make reasonable adjustments for students with disabilities to reduce barriers to accessing assessments. For this reason, very few students will have a complete barrier to any part of the assessment.

It is important to note that where access arrangements are permitted, they must not be used in any way that undermines the integrity of the assessment. You can find information on reasonable adjustments in the Joint Council for Qualifications document *Access Arrangements and Reasonable Adjustments: General and Vocational Qualifications*, available at www.jcq.org.uk

7.5 Contact details

If you have any queries about this specification, please contact the relevant CCEA staff member or department:

- Specification Support Officer: Arlene Ashfield
(email: aashfield@ccea.org.uk)
- Education Manager: Jill Armer
(email: jarmer@ccea.org.uk)
- For a full list of contacts within CCEA visit our website at
www.ccea.org.uk/examiner-centre-support/examinations-support/key-contacts

Summary of Changes since First Issue

(Most recent changes are indicated in red on the latest version)

Revision History Number	Date of Change	Page Number	Change Made
Version 1	N/A	N/A	First issue
Version 2	25 July 2017	16	Words inserted within 'Cash flow forecast' bullet point
Version 3	8 November 2018	19	Text (Multi-Focus Model) added to reference to Hofstede



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