**Higher Business Management**

**Understanding Business Checklist**

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| **Outcome 1 - Role of Business** |  |  |  |
| * Describe needs, wants, goods and services.
* Describe roles, skills and qualities of an entrepreneur.
* Describe and give examples of the factors of production.

**Sectors of industry*** Describe and give examples of the 4 sectors of industry.
* Explain the change in the sectors of industry.

**Wealth Creation*** Define the term wealth creations
* Discuss the impact of wealth creation
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| **Sectors of Industry** |  |  |  |
| * Describe the 3 sectors of economy.

**Private Sector**Describe who owns, runs, finance, objectives and the liability of:* Sole Trader
* Partnership
* LTD
* PLC
* MNC
* Discuss setting up a business in each of the ways above.
* Define the term franchise.
* Distinguish between a franchisee and franchisor.
* Discuss setting up as a franchise for the franchisee and franchisor.
* Discuss the impact of globalisation for MNCs.

**Public Sector**Describe who owns, runs, finance, objectives and key roles of the following:* UK Parliament
* Scottish Government
* Local Authorities

**Third Sector**Describe who owns, runs, finance and objectives of the following:* Social Enterprises
* Voluntary Organisations
* Not-for-profit organisations
* Discuss the organisations above.
* Describe what a democratic enterprise is.
* Justify the popularity of a democratic enterprise.
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| **Objectives** |  |  |  |
| **Mission Statement*** Describe the term mission statement.
* Describe what information a mission statement will share.

**Objectives** (The key at higher is to give impacts)* Define the term objective.
* Justify the need to set objectives.
* Describe what factors will influence setting an objective.

Describe and justify the following private sector objectives:* Maximise profit
* Survival
* Provision of a service
* Increase market share
* Maximise sales
* Satisficing
* Managerial objectives
* Growth
* CSR

Describe and justify the following public sector objectives:* Stick to an agreed budget
* Provision of a service
* Managerial objectives
* Satisfying
* CSR

Describe and justify the following third sector objectives:* CSR
* Raise awareness of a good cause
* Raise money for a good cause
* Fund medical research
* Justify a business having good CSR.
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| **Growth** |  |  |  |
| * Justify why a business would want to grow.

**Internal Growth/ Organic Growth**Describe and give impacts for methods of growing internally**External Growth**Describe and discuss the following methods of growth:* Merger
* Takeover
* Horizontal integration
* Backwards vertical integration
* Forward vertical integration
* Diversification/ Conglomerate
* Outsourcing
* De-merger
* Divestment
* Management Buy-Out/ Buy-In
* Asset Stripping
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| **Internal Structures** |  |  |  |
| * Describe and justify having an organisation chart.

Define the following terms:* Subordinates
* Superiors
* Empowerment
* Authority
* Responsibility
* Delegation
* Chain of command
* Narrow V Wide span of control (Discuss the impact of each)

Describe the following types of relationships:* Line
* Lateral
* Staff
* Functional
* Informal (Describe how they occur and what problems can occur from having them)

**Grouping Structures*** Describe factors to consider when choosing a grouping.

Describe and discuss the following groupings:* Functional
* Product/ service
* Custom
* Location
* Technology
* Line/ Staff

**Management Structures**Describe and discuss the following management structures:* Tall
* Flat
* Matrix
* Entrepreneurial
* Centralised
* Decentralised
* Describe factors that affect structural change.

Describe and discuss:* Downsizing
* Delayering
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| **Outcome 2 - Internal Factors** |  |  |  |
| Explain how the following can influence a business:* Human Resources
* Finance
* Internal Technology
* Corporate Culture
* Describe factors that influence designing a corporate culture.
* Describe methods of establishing a corporate culture.
* Discuss a business establishing a corporate culture.
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| **External Factors** |  |  |  |
| Explain how the following factors can impact on a business:* Political factors (Corporation tax, income tax, VAT rates, law changes)
* Economic factors (Employment, recession, interest rates)
* Social factors (Flexible working, woman working, customer tastes)
* Technology (New ICT, growth of s-commerce)
* Environmental (Recycling pressures, weather changes)
* Competitive (New competitor, competitor launching a new product)

Competition policy* Describe what CMA do, their purpose and the areas they cover.
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| **Stakeholders** |  |  |  |
| * Distinguish between internal and external stakeholders.
* Distinguish between an interest and an influence/ impact.
* Describe the interest and influence of internal and external stakeholders.
* Define the term conflict and interdependence.

Describe the conflicts and interdependence that happens between:* Owners and employees
* Owners and customers
* Employees and customers
* Owners and suppliers
* Owners and banks
* Owners and government
* Owners and local authority
* Owners and pressure groups
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| **Outcome 3 - Decision Making** |  |  |  |
| **Types of Decisions**For strategic, tactical and operational decisions describe:What it is?* Who makes it?
* What term does it last?
* What risk factor does it come with?
* Examples

**Role of the manager (POCCCDM)*** Describe the historic roles of the manager.
* Describe the modern-day roles of the manager.
* Describe factors that affect making quality decisions.
* Describe ways of measuring how effective a decision has been.

**Decision making models*** Describe what a SWOT analysis is.
* Describe features of a SWOT analysis.
* Discuss the use of a SWOY analysis.

Describe the POGADSCIE model for making decisions.Discuss the use of a POGADSCIE decision making model. |  |  |  |