



NATIONAL 5
BUSINESS
MANAGEMENT
Pupil Checklists

ROLE OF BUSINESS IN SOCIETY			
• I can describe what is meant by a need and a want	☺	☹	☹
• I can give at least 3 examples of needs and wants	☺	☹	☹
• I can describe what is meant by goods and services	☺	☹	☹
• I can give at least 3 examples of goods and services	☺	☹	☹
• I can describe how businesses add wealth to products	☺	☹	☹
• I can identify the four factors of production	☺	☹	☹
• I can describe the four factors of production	☺	☹	☹
• I can describe what is meant by the primary sector and give at least 3 examples	☺	☹	☹
• I can describe what is meant by the secondary sector and give at least 3 examples	☺	☹	☹
• I can describe what is meant by the tertiary sector and give at least 3 examples	☺	☹	☹
• I can describe what is meant by the public sector and give at least 3 examples of businesses in this sector	☺	☹	☹
• I can describe what is meant by the private sector and give at least 3 examples of businesses in this sector	☺	☹	☹
• I can describe what is meant by the third sector and give at least 3 examples of businesses in this sector	☺	☹	☹
TYPES OF BUSINESS ORGANISATION			
I can describe the following private sector business organisations and give at least 2 advantages and 2 disadvantages of this type of organisation:			
• Sole Trader	☺	☹	☹
• Partnership	☺	☹	☹
• Private Limited Company	☺	☹	☹
I can describe what is meant by a public sector business organisation and give at least 3 examples	☺	☹	☹
I can describe the following third sector business organisations:			
• Charities	☺	☹	☹
• Voluntary Organisations	☺	☹	☹
• Social Enterprises	☺	☹	☹
OBJECTIVES			
I can describe what an objective is	☺	☹	☹
I can describe what the following objectives mean:			
▪ Survival	☺	☹	☹
▪ Profit maximisation	☺	☹	☹
▪ Provision of a service	☺	☹	☹
▪ Customer satisfaction	☺	☹	☹
▪ Enterprise	☺	☹	☹
▪ Social responsibility	☺	☹	☹
▪ Market share	☺	☹	☹
I can describe what a mission statement is and why an organisation would have one	☺	☹	☹
STAKEHOLDERS			
I can describe what is meant by a stakeholder	☺	☹	☹
I can describe the interest of the following stakeholders:			

▪ Owners	☺	☹	☹
▪ Shareholders	☺	☹	☹
▪ Employees	☺	☹	☹
▪ Banks	☺	☹	☹
▪ Customers	☺	☹	☹
▪ Suppliers	☺	☹	☹
▪ Local community	☺	☹	☹
▪ Pressure groups	☺	☹	☹
▪ Government	☺	☹	☹
I can describe the influence of the following stakeholders:			
▪ Owners	☺	☹	☹
▪ Shareholders	☺	☹	☹
▪ Employees	☺	☹	☹
▪ Banks	☺	☹	☹
▪ Customers	☺	☹	☹
▪ Suppliers	☺	☹	☹
▪ Local community	☺	☹	☹
▪ Pressure groups	☺	☹	☹
▪ Government	☺	☹	☹
EXTERNAL FACTORS (PESTEC)			
I can describe the following external factors which might affect a business:			
▪ Political	☺	☹	☹
▪ Economic	☺	☹	☹
▪ Social	☺	☹	☹
▪ Technological	☺	☹	☹
▪ Environmental	☺	☹	☹
▪ Competitive	☺	☹	☹
INTERNAL FACTORS			
I can describe the following internal factors which might affect a business:			
▪ Finance available	☺	☹	☹
▪ Ability of staff	☺	☹	☹
▪ Ability of managers	☺	☹	☹
▪ Technological factors	☺	☹	☹
I can describe at least 2 ways in which 2 different organisations use ICT to help them	☺	☹	☹
CUSTOMER SATISFACTION			
I can describe what is meant by customer service			
I can describe at least 4 factors which affect customer satisfaction	☺	☹	☹
I can describe what makes good customer service	☺	☹	☹
I can describe at least 3 reasons why customer service is important	☺	☹	☹
I can describe at least 3 different impacts of poor customer service	☺	☹	☹
I can describe at least 3 different ways in which customer satisfaction can be measured	☺	☹	☹

THE ROLE OF MARKETING

- I can describe why marketing is important



• I can describe the role of marketing	☺	☹	☹
• I can describe the ways in which ICT is used in Marketing	☺	☹	☹
• I can discuss what is meant by Marketing and Ethics and give some examples	☺	☹	☹
MARKET RESEARCH			
• I can describe why firms carry out market research	☺	☹	☹
• I can outline ways in which the market can be segmented	☺	☹	☹
I can describe the following field research techniques and give advantages and disadvantages for each:			
• Personal interview	☺	☹	☹
• Focus groups	☺	☹	☹
• Telephone survey	☺	☹	☹
• Postal survey	☺	☹	☹
• Hall test	☺	☹	☹
• EPOS	☺	☹	☹
• Observation	☺	☹	☹
• I can describe what is meant by field research and give examples	☺	☹	☹
• I can describe what is meant by desk research and give examples	☺	☹	☹
• I can compare the advantages of using field research and desk research	☺	☹	☹
THE MARKETING MIX			
• I can give a definition of what is meant by Product, Price, Place and Promotion	☺	☹	☹
PRODUCT			
• I can describe the different stages of the product life cycle, draw a diagram to illustrate it and give examples of products at each stage	☺	☹	☹
• I can describe the stages that take place before a new product is launched (product innovation)	☺	☹	☹
• I can describe what is meant by branding and give advantages and disadvantages of branding and own-brand labels	☺	☹	☹
PRICE			
• I can describe factors which affect which pricing strategy an organisation will use	☺	☹	☹
I can describe the following strategies:			
• Price skimming	☺	☹	☹
• Penetration pricing	☺	☹	☹
• Destroyer pricing	☺	☹	☹
• Promotional pricing	☺	☹	☹
• Loss Leaders	☺	☹	☹
• Price discrimination	☺	☹	☹
• Premium pricing	☺	☹	☹
• Competitive pricing	☺	☹	☹
PLACE			
• I can describe factors which influence the location of a business	☺	☹	☹
I can describe the following methods of distributing goods and give advantages and disadvantages for each:			
• Road	☺	☹	☹
• Train	☺	☹	☹
• Air	☺	☹	☹
• Sea	☺	☹	☹
• I can describe different channels of distribution used by an organisation	☺	☹	☹
PROMOTION			
• I can describe and give advantages and disadvantages of different advertising medias (for example, television, newspapers, cinema, direct mail, radio, magazines)	☺	☹	☹
• I can describe factors which affect the method of advertising media chosen	☺	☹	☹
• I can describe at least 4 INTO THE PIPELINE sales promotions	☺	☹	☹
• I can describe at least 4 OUT OF THE PIPELINE sales promotions	☺	☹	☹

• I can describe what is meant by input, process and output	☺	☹	☹
• I can describe what the Operations department does	☺	☹	☹
• I can describe why organisations ensure they are behaving responsibly and ethically	☺	☹	☹
• I can describe ways in which an organisation acts responsible and ethical (in terms of Operations)	☺	☹	☹
• I can describe ways in which ICT is used in Operations	☺	☹	☹
CHOOSING A SUPPLIER			
I can outline the following factors which are important when choosing a supplier:			
• Price	☺	☹	☹
• Quality	☺	☹	☹
• Delivery time	☺	☹	☹
• Quantity	☺	☹	☹
• Storage space	☺	☹	☹
• Reliability	☺	☹	☹
STOCK CONTROL			
I can describe the following terms used when controlling stock levels:			
• Maximum stock level	☺	☹	☹
• Minimum stock level	☺	☹	☹
• Re-order level	☺	☹	☹
• Re-order quantity	☺	☹	☹
• I can describe what is meant by over-stocking and describe the disadvantages of this happening	☺	☹	☹
• I can describe what is meant by under-stocking and describe the disadvantages of this happening	☺	☹	☹
• I can describe what is meant by centralised storage and can give advantages and disadvantages	☺	☹	☹
• I can describe what is meant by decentralised storage and can give advantages and disadvantages	☺	☹	☹
METHODS OF PRODUCTION			
• I can outline factors which have to be considered when choosing a method of production	☺	☹	☹
I can describe the following methods of production and describe advantages and disadvantages for each:			
• Job production	☺	☹	☹
• Batch production	☺	☹	☹
• Flow production	☺	☹	☹
I can describe the following terms:	☺	☹	☹
• Capital intensive	☺	☹	☹
• Labour intensive	☺	☹	☹
• Automation	☺	☹	☹
• Mechanisation	☺	☹	☹
QUALITY			
I can describe the following methods of ensuring quality in production and give advantages and disadvantages for each:			
• High quality raw materials	☺	☹	☹
• Well trained employees	☺	☹	☹
• Quality control	☺	☹	☹
• Quality circles	☺	☹	☹
• Quality assurance	☺	☹	☹
• TQM	☺	☹	☹
• Benchmarking	☺	☹	☹
• I can outline the role of the HR, Marketing and Finance departments in ensuring quality	☺	☹	☹

SOURCES OF FINANCE			
• I can describe sources of finance which would be used in the private sector	☺	☹	☹
• I can describe sources of finance which would be used in the public sector	☺	☹	☹
• I can describe sources of finance which would be used in the third sector	☺	☹	☹
• I can identify the best source of finance to use for private sector, public sector or third sector organisations	☺	☹	☹
• I can describe the benefits (advantages) of sources of finance	☺	☹	☹
• I can describe the costs (disadvantages) of sources of finance	☺	☹	☹
CASH BUDGETS			
• I can describe the role of finance in an organisation	☺	☹	☹
• I can describe what is meant by “cash flow”	☺	☹	☹
• I can describe what causes cash flow problems	☺	☹	☹
• I can describe ways to fix cash flow problems	☺	☹	☹
• I can describe what a cash budget is	☺	☹	☹
• I can describe why you would use a cash budget	☺	☹	☹
• I can produce a cash budget through doing practical examples	☺	☹	☹
• I can interpret a cash budget and identify things which might cause cash flow problems	☺	☹	☹
FINAL ACCOUNTS			
• I can describe the purpose of a trading account	☺	☹	☹
▪ I can describe the purpose of a profit and loss account is	☺	☹	☹
▪ I can describe the key terms which can be found in a trading, profit and loss account	☺	☹	☹
▪ I can produce a trading, profit and loss account (using a spreadsheet)	☺	☹	☹
▪ I can interpret reasons for profit or loss and give solutions to any problems	☺	☹	☹
▪ I can outline the purpose of a balance sheet	☺	☹	☹
BREAK EVEN ANALYSIS			
I can describe the following terms:			
▪ Fixed costs (FC)	☺	☹	☹
▪ Variable costs (VC)	☺	☹	☹
▪ Total costs (TC)	☺	☹	☹
▪ Total revenue (TR)	☺	☹	☹
▪ Profit	☺	☹	☹
▪ Loss	☺	☹	☹
▪ I can give a definition of what is meant by “break even point”	☺	☹	☹
▪ I can complete a table of information which shows FC, VC, TC, TR and profit or loss	☺	☹	☹
▪ I can use this table to interpret how many units are needed to make a profit or loss	☺	☹	☹
▪ I can calculate the contribution cost	☺	☹	☹
▪ I can use a formula to calculate the break even point	☺	☹	☹
▪ I can produce a break even chart	☺	☹	☹
▪ I can interpret a break even chart	☺	☹	☹

THE ROLE OF HUMAN RESOURCES			
• I can outline the role of the HR department			
RECRUITMENT AND SELECTION			
• I can describe the different stages of the recruitment process:			
○ Identify a job vacancy			
○ Carry out a job analysis			
○ Prepare a job description			
○ Prepare a person specification			
○ Advertise the job (internal and external)			
○ Send out applications			
• I can describe what is meant by a Curriculum Vitae (CV)			
• I can describe what is meant by an application form			
• I can describe the different stages of the selection process:			
○ References			
○ Short-listing			
○ Interviews			
○ Testing (Medical, Psychometric, Aptitude, Personality)			
○ Assessment centres			
• I can outline the advantages and disadvantages of using interviews			
• I can outline the advantages and disadvantages of using tests			
TRAINING			
• I can describe the following types of training:			
▪ Induction training			
▪ On the job training			
▪ Off the job training			
▪ Apprenticeships			
▪ Coaching			
▪ Mentoring			
• I can outline the advantages and disadvantages of on the job training			
• I can outline the advantages and disadvantages of off the job training			
MOTIVATING AND RETAINING STAFF			
• I can describe the following ways in which staff are paid:			
○ Salary			
○ Time rate			
○ Overtime			
○ Piece rate			
○ Bonus			
○ Commission			
• I can describe what is meant by a staff appraisal			
• I can describe the advantages and disadvantages of a staff appraisal			
• I can describe the following flexible working practices:			

○ Part time	☺	☹	☹
○ Temporary contracts	☺	☹	☹
○ Homeworking	☺	☹	☹
○ Teleworking	☺	☹	☹
○ Flexitime	☺	☹	☹
○ Job share	☺	☹	☹
○ Condensed hours	☺	☹	☹
• I can describe the advantages of flexible working for an employer	☺	☹	☹
• I can describe the advantages of flexible working for an employee	☺	☹	☹
• I can describe ways in which businesses can create good working relationships	☺	☹	☹
• I can describe what is meant by industrial action	☺	☹	☹
• I can outline the impact that industrial action can have on an organisation	☺	☹	☹
• I can describe the following types of industrial action:			
○ Strike	☺	☹	☹
○ Work to rule	☺	☹	☹
○ Sit in	☺	☹	☹
○ Go slow	☺	☹	☹
○ Overtime ban	☺	☹	☹
○ Boycott	☺	☹	☹
• I can describe the impact that taking industrial action can have on an organisation	☺	☹	☹
LEGISLATION			
• I can describe the purpose of the Health and Safety at Work Act 1974	☺	☹	☹
• I can outline the responsibilities of the employer under the HASAW Act	☺	☹	☹
• I can outline the responsibilities of the employee under the HASAW Act	☺	☹	☹
• I can describe the purpose of the Equality Act 2010	☺	☹	☹
• I can describe the purpose of the Minimum Wage Act 1998	☺	☹	☹
• I can describe the purpose of the Data Protection Act 1998	☺	☹	☹
• I can describe the purpose of the Freedom of Information Act 2000	☺	☹	☹