

Week	Key themes – 8 stakeholders				Additional information	
1 Stakeholders	<p>Owners: These are either sole traders, partners or shareholders Objective: Their primary objective is profit Influence: They can set the direction of the business (Shareholders in a PLC have little control)</p>	<p>Employees: These are the people that work within the business Objective: They want job security, good levels of pay and to be motivated Influence: They can apply pressure to the owners to pay them more. If they are demotivated they may not work well</p>	<p>Managers: They organise the staff and make decisions for the owners Objective: They are often offered bonuses for reaching sales targets Influence: They will want to motivate staff to hit targets</p>	<p>Customer: These are the people that provide the revenue for the business Objective: They want good quality products at reasonable prices Influence: They need to be kept happy so they don't go to the competition instead</p>	<p>Conflict: Stakeholder objectives can conflict with each other.</p> <p>For example; A customers objective for good quality and low price products and services means that the owners profit will be less.</p> <p>A managers drive for efficiencies to achieve his bonus may mean that employees have to work harder than they want.</p> <p>A pressure group campaigning for a company to behave more ethically may mean that the business has to revise its business activities and this will be more costly.</p> <p>A business operating in a competitive market may want a supplier to charge them less for their supplies. This will impact the supplier's profit.</p>	
	<p>Government: They collect taxes for the country and create laws for businesses to follow Objective: To ensure that businesses abide by the laws. To help build the economy by encouraging entrepreneurship Influence: They can raise taxes and increase a businesses costs. They can also offer grants</p>	<p>Local community: They are the people that live and work near to businesses Objective: They want their neighbourhood to be kept clean, pollution free and free of too much traffic. Influence: They can object to businesses opening in their area</p>	<p>Pressure groups: These groups apply pressure to businesses to behave ethically Objective: They want businesses to look after the environment and the people that work for them Influence: They can create negative press for a business.</p>	<p>Suppliers: Other business that provide the raw materials for a business Objective: To ensure that the businesses buys their products from them. To ensure that the business can pay for the raw materials Influence: They need to be reliable to make sure the business has the products it needs to operate</p>		
					Key terms	
					Grant – A payment made by a government to a business that they will not repay or only pay a very low rate of interest on	
					Ethics – Doing no harm to people or planet	
Week	Key themes 4 ways				Additional information	
2 Technology	<p>E- Commerce – Enables businesses to sell their products online. It also allows them to attract customers worldwide</p>		<p>Digital communication – Email, websites, instant messaging, Mobile apps</p>		<p>There have been many technological advances that have improved the way businesses operate. From the introduction of the internet through to technological advances in manufacturing. These have increased revenue, and improved efficiencies, decreasing costs.</p>	
	<p>Electronic payment systems – The ability to pay with ease for online products and services, online bank transfers, chip and pin and contactless payments</p>		<p>Social media - This is a powerful and often free marketing tool that allows businesses to communicate effectively with customers. Businesses can create interesting content to launch products/services, ask for feedback and keep customers updated</p>			
Week	Key themes				Additional information	
3 Legislation	<p>Consumer law – The Consumer Rights Act 2015 – Goods must be of satisfactory quality, fit for purpose and as described Customers rights are protected and they can expect a refund or replacement if goods are faulty.</p>		<p>Employment law – National Minimum Wage – Employees can expect to earn a minimum hourly wage when they work for a UK employer. Health and safety in the workplace –Employees can expect that they will work in a safe environment Equality Act 2010 – Businesses can not discriminate against protected characteristics such as Age, Race, Religion, Gender etc</p>			<p>These laws are beneficial for consumers and employees as they protect their interests. Businesses can also benefit from improved reputation. However they are expensive for businesses to implement. This has an impact on costs meaning that profit can be reduced.</p>

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4 Economy and consumer incomes	The Economy – This is the amount of money spent in a country. In a booming economy lots of people are buying lots of things. In an economic downturn people are not spending much at all.	Disposable income – The amount of money people have to spend on non essential goods	The UK experienced a recession in 2008. Unemployment rose by 877,000 Consumer incomes fell by 10% and businesses were closing at a rate of 50 per day.	
	Consumer incomes – This is amount of money the population are earning. The higher consumer incomes are the more people spend.	Demand – The amount of product or service wanted buy consumers		
		Recession – When spending slows in an economy. Normally resulting in business closure and job losses		
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5 Unemployment, taxes and inflation	Unemployment – When someone is willing and able to work but cannot find a job	Income tax – Tax paid on employees wages and by sole traders and Partnerships.	The Bank of England want inflation to rise by 2% per year. If consumer incomes also grow by this amount consumers won't notice the price increase. If prices rise faster than consumer income then people will have less disposable income. The government uses tax to pay for schools, hospitals, police, roads, etc	
	Inflation – When prices rise. The government measures price rises using a virtual basket of goods of the most commonly consumed products in the UK.	VAT – Paid on almost all goods and services bought in the UK.		
		Corporation tax – Paid by Limited companies on profits		
Week	Key themes	Key terms	Additional information	
6 Interest rates and exchanges rates	Interest Rates – When a person or business borrows money from a financial institution the person or business will pay back the original amount and a percentage extra on top. The percentage extra is the interest rate.	Financial institutions – The Bank of England. Banks etc	Interest rates have been very low in the UK since the recession in 2008. They are currently 0.75 % These low rates encourage business to borrow to expand and create jobs and consumers to borrow to buy non essential products. The pound in weak at the moment due to BREXIT. Therefore other countries are happy to buy from us because we are cheap. But if business in the UK buy from other countries it is expensive.	
	Exchange rates – The amount at which one currency can be bought for another currency. For example You can buy 1.12 EUR for 1 GBP.	SPICED Strong Pound Imports Cheap Exports Dear		
Week	Key themes	Key terms	Additional information	
7 Globalisation	The volume of trade amongst countries has grown significantly over the last few years. Improvements to technology allowing for greater communication and capital mobility as allowed businesses to trade in international markets increasing their customer base and their revenue	Imports – Business source product from other countries, often because it is cheaper to do so.	The UK is in the EU so can trade freely with most of Europe. When BREXIT happens we will have to pay tariffs on products from the EU and the countries in the EU will have to pay tariffs on UK products. This increases the costs of non UK raw materials and increases the price of goods from the UK.	
		Exports – The internet and improved transportation has meant that businesses can now sell their products all over the world		Tariff – A tax on imported goods that raise the price the consumers pay
				Trade bloc -An agreement between countries to trade freely. For example The EU
		Multinational A company that trades within more than one country.		

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Week	Key themes		Key terms
8 Competitive market	Competitive environment – Most businesses operate in a competitive environment. Consumers often have lots of choice as to where they can buy their products from and the option of alternate brands.		Direct competitors – Businesses that offer the same products. For example Burgerking and McDonalds
	Non- competitive environment - Some businesses operate in a market with little competition. This is sometimes because they offer something very unique or exclusive and is sometimes because of their location.		Indirect competitors – Businesses that do not offer the same product or service but give the consumer an alternate option. For example a bus or a train
			Price war – When businesses lower their prices to fight for customers. This often results in the competitors lowering their prices
Week	Key themes -4 areas of SWOT		Key terms
9 SWOT Analysis	Strength – What is good about a business, what does it do well	Weakness - What are the areas for development within a business, where has it got thing wrong	Competitive market – Where there are lots of businesses offering the same or similar products or services
	Opportunity – What are the things that customers may want that the business does not yet offer	Threats – Who are the biggest competitors, what is happening external in the economy	Competitive advantage – when a company creates a product or service that is significantly different or better or when they create a highly trusted brand.
Week	Key terms		
10 Synoptic	Direct competitors – Businesses that offer the same products. For example Burgerking and McDonalds	Competitive market – Where there are lots of businesses offering the same or similar products or services	Market share – A businesses proportion of sales in a market
	Indirect competitors – Businesses that do not offer the same product or service but give the consumer an alternate option. For example a bus or a train	Competitive advantage – when a company creates a product or service that is significantly different or better or when they create a highly trusted brand.	Differentiate – A product or service that stands out from others Making something unique or exceptional
	Price war – When businesses lower their prices to fight for customers. This often results in the competitors lowering their prices	Qualitative – Questions that produce data about what people think and feel. Open questions that get more detailed responses	Target market – a group of people that business has recognised as potential customers
	Innovation – A new idea or creative solution	Quantitative – Questions that produce numerical data like amounts or percentages. Closed question that produce yes or no answers	Enterprise - An individual or business that produce goods or services to meet the needs of customers

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11 Globalisation	<p>In the modern world business operate across a number of countries. Globalisation affects business in three key ways;</p> <ul style="list-style-type: none"> • Imports – goods that are bought into a country • Exports - Goods which are transported to another country for sale • Location –businesses can locate anywhere in the world to take advantage of cost savings 		Tariff – a tax on imports or exports	Coca Cola operates in all but 2 of the 197 countries in the world and employs 123,000 people and has a revenue of approx 40 billion per year
			Protectionism – an action taken by the government to reduce the flow of imports	
			Trading bloc – a group of countries that agree to act together and promote trade between themselves	
Week	Key themes			Additional information
12 Ethics	Businesses do not have a legal responsibility to be ethical. They can make choices between doing the right thing and profit. The groups/things below can all be impacted by unethical business activity. However if the businesses customers are made aware of unethical behaviour then a business may lose customers so they must be careful to make good choices.			Coca Cola has been sued for racism in the work place and polluting water supplies. It has been responsible for promoting cruelty to animals, stands accused of being part of the global obesity problem and is one of the largest palm oil users in the world.
	Workers - Paid poorly or working in unsafe conditions	Materials – Using raw materials that are sourced from unethical practice	Consumers –Misleading customers or knowingly providing faulty products	
	Suppliers – paying a fair price for the products received	Government – Paying all appropriate taxes and abiding by employment law	Community – disrupting local areas where the business is located, through noise, light or toxic pollution	
Week	Key terms			Additional information
13 Environment	<p>Environment Business activity can have a negative impact on the environment, they must take this in to consideration when making decisions. Things a business can do to reduce its environmental impacts are;</p> <ul style="list-style-type: none"> • Use renewable resources • Dispose of waste products responsibly • Reduce unnecessary or use recyclable packaging • Reduce its carbon footprint using more environmental means of transportation 		<p>Sustainability Businesses need to choose their raw materials carefully as overuse of resources is jeopardising the future of the planet. For example palm oil usage has encouraged huge areas of forest in south-east Asia and Africa to be destroyed. The plantations cover more than 27 million hectares of surface across the world and have a negative impact on wildlife, causing around 100,000 orang-utans to be lost between 1999 and 2015.</p>	Iceland released an advert to promote their commitment to remove Palm oil from all their products. The advert was banned from television but was watched on social media by millions