

Level 3 Business Environment Indicative content

NOTE : Whilst not exhaustive this document provides an illustration of topics and themes in this unit.

1.	<ul style="list-style-type: none"> • Up-to-date outline of the British economy. • Changes between primary, secondary and tertiary sectors of industry. • Changing pattern of employment within the UK. • Economic effects of changes in size, geographical distribution, gender, ethnicity and age composition of the population. • Need for provision of merit and collective (public) goods and of welfare services.
2.	<ul style="list-style-type: none"> • Main types of business organisation and advantages and disadvantages. • Different objectives. • Types of objectives that a firm might choose and the factors influencing their choice. • Main stakeholder groups, and how they judge an organisation. • Conflicts that arise between different stakeholder groups. • Development of multinational companies, growth, objectives, management and problems of different growth strategies. • External factors influencing the business environment (PESTEL) and their impact on the organisation. • Barriers to successful change. • Organisational development approach and the management of change.
3	<ul style="list-style-type: none"> • Main styles of leadership, and the personal and organisational factors which influence the choice and effectiveness. • Organisational culture and ways in which organisations can change. • Employee motivation and job design. • Performance appraisal. • The development of people within an organisation. • Nature of groups and teams within an organisation. • Communication process and flow of information. • Main barriers to communication and how these can be overcome.
4.	<ul style="list-style-type: none"> • The marketing concept and the importance of marketing within the business environment. • The principles of marketing and marketing management. • Market segmentation – the methods and advantages. • The marketing mix. • Concept of the product life cycle.

5.	<ul style="list-style-type: none"> • Structure and behaviour of imperfectly competitive firms including monopolies. • Internal and external economies of scale. • Effect of variations in supply and unit cost on revenue and profit/supply and demand. • How exchange rates are determined by the interaction of supply and demand. • The importance of price elasticity of demand in relation to pricing strategies. • Key features of competition policy and Government intervention.
6.	<ul style="list-style-type: none"> • The macro-economic influences on the organisation. • The business cycle and how fluctuations can impact upon organisations. • Aims of government economic policy and how these can sometimes be in conflict. • How inflation is measured and its impact upon organisations. • The principles of monetary policy. • Basic principles of fiscal policy. • The government's supply side policies relating to labour and capital markets. • How changes in economic measures affect markets and organisations.

Assessment - Assessment will be by a one-hour online examination involving 60 multiple choice