



Department
for Education

Business

Draft GCSE subject content

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The content for business GCSE

Introduction

1. GCSE subject content sets out the knowledge, understanding and skills common to all GCSE specifications in a given subject.
2. Together with the assessment objectives it provides the framework within which awarding organisations create the detail of their specifications, ensuring progression from key stage 3 national curriculum requirements, and the possibility for progression to A level.

Aims and objectives

3. GCSE specifications in business must include coherent and rigorous content. They should enable students to understand more about the business world. They should enable students to develop as commercially minded and enterprising individuals who think critically, drawing on business information and evidence to develop arguments and make justified decisions. GCSE specifications in business should motivate and challenge students, and prepare them to make informed decisions about further study and career pathways.
4. GCSE specifications in business should enable students to:
 - know and understand business concepts, business terminology, business objectives, the integrated nature of business activity and the impact of business on individuals and wider society
 - apply knowledge and understanding to contemporary business issues and to different types and sizes of businesses in local, national and global contexts
 - develop as enterprising individuals with the ability to think commercially and creatively to demonstrate business acumen, and draw on evidence to make informed business decisions and solve business problems
 - develop as effective and independent students, and as critical and reflective thinkers with enquiring minds
 - use an enquiring, critical approach to make informed judgements
 - investigate and analyse real business opportunities and issues to construct well-argued, well-evidenced, balanced and structured arguments, demonstrating their depth and breadth of understanding of business
 - develop and apply quantitative skills relevant to business, including using and interpreting data

Subject content

5. GCSE specifications in business must require students to apply their knowledge and understanding to different business contexts. These include businesses ranging from small enterprises to large multinationals and businesses operating in local, national and global contexts. Specifications must require students to develop an understanding of how these contexts impact business behaviour and inform business decisions.

Knowledge and understanding

6. GCSE specifications in business must require students to know and understand:

Business activity

- the purpose of business activity, the role of business enterprise and entrepreneurship, and the dynamic nature of business
- the competitive environment and the impact of risk and reward on business activity
- the purpose of planning business activity, including the role and importance of a business plan
- the factors influencing business location, including proximity to market, labour and materials
- the types of business ownership, including business start-ups and the concept of limited liability
- what business aims and objectives are, how and why these differ between businesses, and how and why these change as businesses evolve
- methods of business growth, including organic and external growth
- who business stakeholders are – including owners, employees and customers – their different objectives, how they are affected by business activity and the impact they have on business
- the interdependent nature of business operations, finance, marketing and human resources within a business context

Influences on business

The importance of external influences on business and how businesses change in response to these influences, including:

- how technology, including e-commerce and digital communication, influences business activity
- the impact of ethical and environmental considerations on businesses, including sustainability
- the impact of the economic climate on businesses, including changing levels of consumer income and unemployment
- the impact of globalisation on businesses, including how businesses compete internationally
- the impact of legislation on businesses, including employment law and consumer law

Business operations

What business operations involve, its role within the production of goods and the provision of services, and how it influences business activity, including:

- the impact of different types of production processes on businesses
- the role of procurement and the impact of logistical and supply decisions on businesses
- the concept of quality and its importance to a business, including the production of goods and the provision of services
- the sales process and the importance to businesses of providing good customer service, including product knowledge, customer engagement and post-sales service

Finance

The purpose of the finance function, its role within business and how it influences business activity, including:

- what different sources of business finance are available and their suitability for new and established businesses
- the concept of revenue, costs, profit and loss, including gross and net profit ratios
- the importance of cash to a business, the difference between cash and profit, and cash-flow forecasting
- the use of financial information in understanding business performance and making business decisions

Marketing

The purpose of marketing, its role within business and how it influences business activity, including:

- the importance to a business of identifying and understanding its customers
- how businesses use segmentation to target customers
- the purpose and methods of market research, and the use of qualitative and quantitative market research data
- what the marketing mix is, the importance of each of the four elements – price, product, promotion and place – and how these elements work together
- how the marketing mix is used to inform and implement business decisions

Human resources

The purpose of human resources, its role within business and how it influences business activity, including:

- how and why businesses have different organisational structures, including the importance of effective communication, different job roles and responsibilities, and different ways of working
- how businesses recruit people, including methods used to meet different business needs

- the importance of retaining and motivating employees and how businesses achieve this, including financial and non-financial methods
- how and why businesses train and develop their employees

Skills

7. GCSE specifications in business must require students, drawing on the knowledge and understanding above, to:

- use business terminology to identify and explain business activity
- apply business concepts to familiar and unfamiliar contexts
- develop problem solving and decision making skills relevant to business
- investigate, analyse and evaluate business opportunities and issues
- make justified decisions using both qualitative and quantitative data including its selection, interpretation, analysis and evaluation, and the application of appropriate quantitative skills

Use of quantitative skills

8. The list below states the range and extent of mathematical techniques appropriate to GCSE business. Specifications must require students, drawing on the knowledge and understanding above, to apply these skills to relevant business contexts.

Calculation

9. Calculations in a business context, including:

- percentages and percentage changes
- averages
- revenue, costs and profit
- gross profit margin and net profit margin ratios
- average rate of return
- cash-flow forecasts, including total costs, total revenue and net cash flow

Interpretation

10. Interpretation and use of quantitative data in business contexts to support, inform and justify business decisions, including:

- information from graphs and charts
- profitability ratios (gross profit margin and net profit margin)
- financial data, including profit and loss, average rate of return and cash-flow forecasts
- marketing data, including market research data
- market data, including market share, changes in costs and changes in prices



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