

**GCSE Subject Level
Conditions and
Requirements for Business**

March 2016

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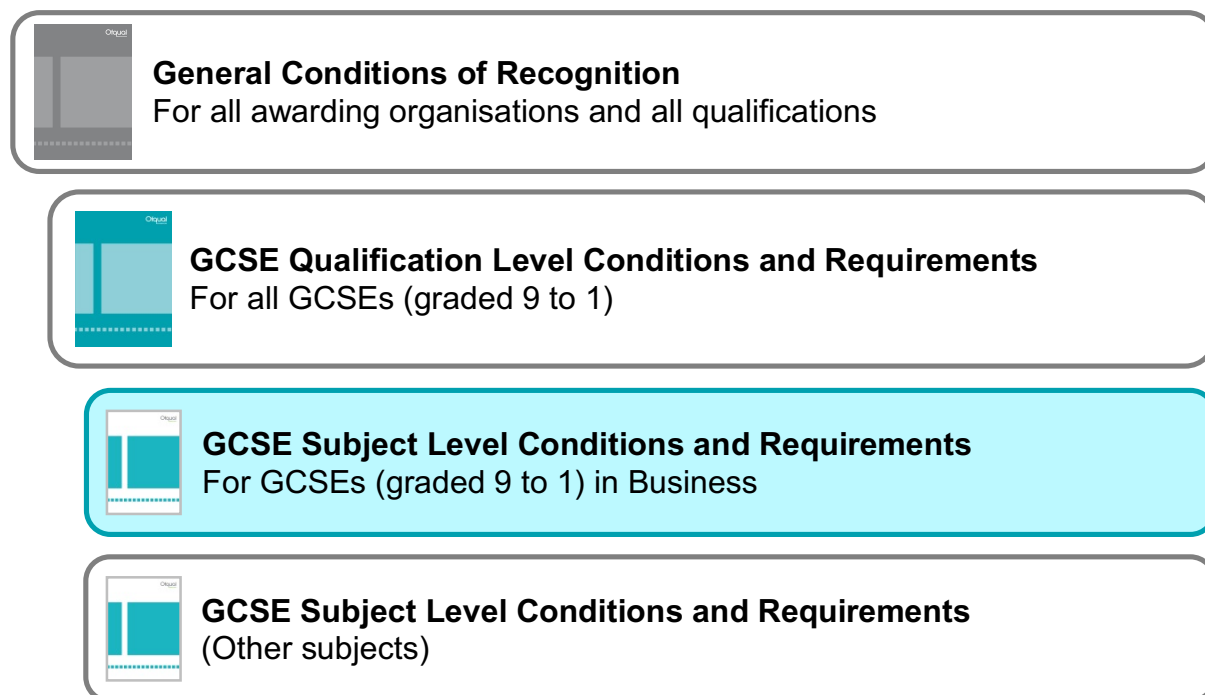
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Introduction

About this document

This document (highlighted in the figure below) is part of a suite of documents which sets out the regulatory requirements for awarding organisations offering GCSE qualifications (graded from 9 to 1).



We have developed these requirements with the intention that GCSE qualifications (graded from 9 to 1) should fulfil the following purposes:

- To provide evidence of students' achievements against demanding and fulfilling content;
- To provide a strong foundation for further academic and vocational study and for employment; and
- To provide (if required) a basis for schools and colleges to be held accountable for the performance of all of their students.

Requirements set out in this document

This document sets out the GCSE Subject Level Conditions for Business. These conditions will come into effect at 12.31am on 15 March for all GCSE qualifications (graded from 9 to 1) in Business.

It also sets out our requirements in relation to:

- assessment objectives – awarding organisations must comply with these requirements under Condition GCSE(Business)1.2; and
- assessment – awarding organisations must comply with these requirements under Condition GCSE(Business)2.1.

Appendix 1 reproduces the requirements in relation to subject content for GCSE Business¹, as published by the Department for Education. Awarding organisations must comply with these requirements under Condition GCSE(Business)1.1.

With respect to GCSE qualifications (graded from 9 to 1) in Business, awarding organisations must also comply with:

- our *General Conditions of Recognition*,² which apply to all awarding organisations and qualifications; and
- our *GCSE Qualification Level Conditions*,³ and
- all relevant Regulatory Documents.⁴

With respect to GCSE qualifications graded from A* to G, awarding organisations must continue to comply with the General Conditions of Recognition, and the relevant Regulatory Documents.

Summary of requirements

Subject Level Conditions	
GCSE(Business)1	Compliance with content requirements
GCSE(Business)2	Assessment

¹ www.gov.uk/government/publications/gcse-business

² www.gov.uk/government/publications/general-conditions-of-recognition

³ www.gov.uk/government/publications/gcse-9-to-1-qualification-level-conditions

⁴ www.gov.uk/guidance/regulatory-document-list

Assessment Objectives

[Assessment Objectives - GCSE Qualifications in Business](#)

Assessment requirements

[Assessment requirements - GCSE Qualifications in Business](#)

Appendix 1 – Subject content (published by Department for Education)

[GCSE Business: subject content](#)

Subject Level Conditions

GCSE Subject Level Conditions for Business

Condition

Compliance with content requirements

GCSE(Business)1

- GCSE (Business)1.1 In respect of each GCSE Qualification in Business which it makes available, or proposes to make available, an awarding organisation must –
- (a) comply with the requirements relating to that qualification set out in the document published by the Secretary of State entitled ‘Business GCSE subject content’⁵, document reference DFE-00203-2015,
 - (b) have regard to any recommendations or guidelines relating to that qualification set out in that document, and
 - (c) interpret that document in accordance with any requirements, and having regard to any guidance, which may be published by Ofqual and revised from time to time.
- GCSE (Business)1.2 In respect of each GCSE Qualification in Business which it makes available, or proposes to make available, an awarding organisation must comply with any requirements, and have regard to any guidance, relating to the objectives to be met by any assessment for that qualification which may be published by Ofqual and revised from time to time.

⁵ www.gov.uk/government/publications/gcse-business

Condition

Assessment

GCSE(Business)2

GCSE (Business)2.1 An awarding organisation must ensure that in respect of each assessment for a GCSE Qualification in Business which it makes available it complies with any requirements, and has regard to any guidance, which may be published by Ofqual and revised from time to time.

Assessment objectives

Assessment objectives – GCSE Qualifications in Business

Condition GCSE(Business)1.2 allows us to specify requirements relating to the objectives to be met by any assessment for GCSE Qualifications in Business.

The assessment objectives set out below constitute requirements for the purposes of Condition GCSE(Business)1.2. Awarding organisations must comply with these requirements in relation to all GCSE Qualifications in Business they make available.

	Objective	Weighting
AO1	Demonstrate knowledge and understanding of business concepts and issues	35%
AO2	Apply knowledge and understanding of business concepts and issues to a variety of contexts	35%
AO3	Analyse and evaluate business information and issues to demonstrate understanding of business activity, make judgements and draw conclusions.	30%

Assessment requirements

Assessment requirements – GCSE Qualifications in Business

Condition GCSE(Business)2.1 allows us to specify requirements in relation to assessments for GCSE Qualifications in Business.

We set out below our requirements for the purposes of Condition GCSE(Business)2.1. Awarding organisations must comply with these requirements in relation to all GCSE Qualifications in Business they make available.

Quantitative skills

The subject content for GCSE Qualifications in Business is set out in the document published by the Secretary of State entitled ‘Business GCSE subject content’, document reference DFE-00203-2015 (the ‘Content Document’).

Paragraphs 9 to 11 of the Content Document specify the quantitative skills which Learners will be required to use in GCSE Qualifications in Business (‘Quantitative Skills’).

In designing and setting the assessments for a GCSE Qualification in Business which it makes available, or proposes to make available, an awarding organisation must ensure that –

- (a) questions and tasks rewarding the use of Quantitative Skills assess those skills within the context of other areas of the subject content, and not in isolation,
- (b) in each set of assessments⁶, at least 10 per cent of the total marks for the qualification reward the use of Quantitative Skills at a Level of Demand which is not lower than that which is expected of Learners at Key Stage 3 as outlined in the Department for Education’s document ‘Mathematics programmes of study: key stage 3’,⁷ document reference DFE-00179-2013, and
- (c) without prejudice to the above requirements and those outlined in the Content Document, in each set of assessments Quantitative Skills are assessed across

⁶ For the purposes of this guidance, a ‘set of assessments’ means the assessments to be taken by a particular Learner for a GCSE Qualification in Business. For clarity, the assessments taken by Learners may vary, depending on any possible routes through the qualification.

⁷ www.gov.uk/government/publications/national-curriculum-in-england-mathematics-programmes-of-study

a range of Levels of Demand which supports effective differentiation in relation to the qualification.

Subject content (published by Department for Education)



Department
for Education

Business

GCSE subject content

December 2015

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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 business.
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 on business behaviour.

Knowledge and understanding

6. GCSE specifications in business must require students to apply their knowledge and understanding to business decision making. This includes:

- the interdependent nature of business activity, influences on business, business operations, finance, marketing and human resources; and how these interdependencies underpin business decision making
- how different business contexts affect business decisions
- the use and limitation of quantitative and qualitative data in making business decisions

7. 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
- business aims and objectives, how and why they differ between businesses, and how and why they change as businesses evolve
- methods of business growth, including organic and external growth
- business stakeholders, including owners, employees and customers; their different objectives, how they are affected by business activity and how they affect 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, their role within the production of goods and the provision of services, and how they influence 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 break even and 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
 - the marketing mix and the importance of each of the four elements – price, product, promotion and place – and how they 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

8. 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

9. 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

10. 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

11. 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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