

Business Studies – Level 1

Time allowed	1 hour 30 minutes plus 5 minutes reading time. Note making during reading time is not allowed.
Aim	<p>The aim of the qualification is to enable the candidate to develop a broad understanding of modern business and its domestic and international environment. For the examination at Level 1 candidates should be able to</p> <ul style="list-style-type: none">· State facts, use appropriate terminology and give examples of concepts applicable to business· Read with understanding and interpret information presented in verbal, numerical and diagrammatical form· Recognize, select, organize and present facts, apply data and information appropriately· Apply concepts and information in calculating and solving simple problems.
Target population	Those who are seeking a broad understanding of business activity. It is particularly suitable for those aspiring to first level administrative positions who need the underpinning of a wide contextual appreciation of the business world to enhance their ability to function efficiently.
Objectives	<p>The following objectives should be met within the domestic business situation of candidates. However, throughout the syllabus, an awareness of the effects on business of information technology and speed of information transfer is expected.</p> <p>Candidates should be able to complete the following.</p>
1. Principles of business	<ul style="list-style-type: none">· Describe the terms: needs of wants; supply and demand; goods and services.· Demonstrate and understanding of the above terms by appropriate examples.· Explain how the need for work and production arises from demand.· Describe the terms: planned, market and mixed economies.· Classify business activity between primary, secondary and tertiary sectors of business.· Explain the terms specialization and division of labour and give appropriate examples.· Illustrate how exchange of goods and services leads to interdependence of business locally, nationally and internationally.· Describe and illustrate the terms visible and invisible trade, imports and exports.· Identify and select the factors associated with the location of business – raw materials, population, markets, transport network, natural advantages and government incentives and competition.
2. Organization of business	<ul style="list-style-type: none">· State the features of sole trader, partnership, limited companies (public and private) and multi – national organizations in terms of ownership, control, sources of funding and distribution of profit or surplus.· Define the term limited liability.· Explain what is meant by the public sector.

- Define the term franchise and state the objectives of one particular business.
- Draw and complete an organizational chart and explain what is shown by such a chart.
- Identify examples of organizations structured in terms of functions, product and market.
- State the reasons for growth and explain the methods by which a business grows: internal expansion, horizontal, vertical and lateral integration.
- Distinguish between internal and external economies of scale.
- Describe different types of insurance risks.
- Identify and describe different methods of internal and external communication including electronic means.
- Select appropriate methods of communication for given situations.

3. Business Activity

- Explain the difference between the forms of production i.e. job, batch and flow.
- Describe the concept of the chain of production, from manufacturer to consumer.
- Define the concept of product life cycles.
- Describe the role of market research in business.
- Define the term 'marketing mix' and illustrate the relationships between the '4 Ps' (Product, Place, Price, Promotion).
- Describe main marketing methods and their appropriateness in particular situations.
- Explain the terms fixed and variable costs, gross and net profit and profit margin.
- Calculate the price of a product from simple information.
- Describe sources of financing, loans and overdrafts, hire purchase and retained profits.
- Define the terms creditor and debtor.
- Describe different methods of payment i.e. cheque, credit transfers, credit/debit cards, online banking.
- Identify and select different types of transport for given situations, and explain reasons for the choice.

4. People in Business

- List the different forms of monetary and non-monetary rewards from work.
- State the importance of health and safety in the workplace.
- State and illustrate the roles of the personnel department in recruiting including job description and advertisement, selection.
- Explain the difference between on-the-job and off-the-job training

5. Influences and controls on business

- Identify the local and national agencies, e.g. Chambers of Commerce, Trade Associations, Banks, consumer protection groups.
- Identify well-known pressure groups and state the role of pressure groups in influencing business activities.

The examination

All questions will be compulsory. The examination will be in 2

sections:

Section A –

- 15 short answer questions covering topics from all sections of the syllabus
- 1-3 marks will be awarded for each questions in this section.
- A total of **35 marks** will be available in this section.

Section B –

- Two structured answer questions primarily covering syllabus areas 2 and 3 worth 15 marks each,
- One question covering the remaining syllabus areas (1,4,5) worth 5 marks.
- A total of **35 marks** will be available in this section.

Assessment

Marks for Section A and B are aggregated.

To be awarded a **Pass** candidates must achieve 54% overall.

A **First Class Pass** will be awarded to candidates who achieve 70% overall.