

Edexcel Theme 2 Finance Revision Checklist

Specification heading	Specification Detail	Your own notes – need to revise/further lesson required?
Introduction to Finance		
Sources of finance	<p>Internal finance</p> <p>a) Owner’s capital: personal savings b) Retained profit c) Sale of assets</p> <p>External finance</p> <p>a) Sources of finance:</p> <ul style="list-style-type: none"> • family and friends • banks • peer-to-peer funding • business angels • crowd funding • other businesses <p>b) Methods of finance:</p> <ul style="list-style-type: none"> • loans • share capital • venture capital • overdrafts • leasing • trade credit • grants 	
Liability	<p>a) Implications of limited and unlimited liability b) Finance appropriate for limited and unlimited liability businesses</p>	

Planning and Cash Flow	a) Relevance of a business plan in obtaining finance b) Interpretation of a simple cash flow forecast and calculations based on changes in the cash flow variables c) Use and limitations of a cash flow forecast	
Sales forecasting	a) Purpose of sales forecasts b) Factors affecting sales forecasts: <ul style="list-style-type: none"> • consumer trends • economic variables • actions of competitors c) Difficulties of sales forecasting	
Sales, revenue and costs	a) Calculation of sales volume and sales revenue b) Calculation of fixed and variable costs	
Break-even	a) Contribution: selling price – variable cost per unit b) Break-even point: total fixed costs + total variable costs = total revenue c) Using contribution to calculate the break-even point d) Margin of safety e) Interpretation of break-even charts f) Limitations of break-even analysis	
Budgets	a) Purpose of budgets b) Types of budget: <ul style="list-style-type: none"> • historical figures • zero based c) Variance analysis d) Difficulties of budgeting	

Profit	<p>a) Calculation of:</p> <ul style="list-style-type: none"> • gross profit • operating profit • profit for year (net profit) <p>b) Statement of comprehensive income (profit and loss account):</p> <ul style="list-style-type: none"> • measuring profitability: • calculation of gross profit margin, operating profit margin, and profit for the year (net profit) margin • ways to improve profitability <p>c) Distinction between profit and cash</p>	
Liquidity	<p>a) Statement of financial position (balance sheet):</p> <ul style="list-style-type: none"> • measuring liquidity: • calculating current ratio and acid test ratio • ways to improve liquidity <p>b) Working capital and its management: the importance of cash</p>	
Business failure	<p>Internal and external causes of business failure:</p> <p>Financial</p> <p>Non-financial factors</p>	

Edexcel Theme 1 Marketing Revision Checklist

Specification heading	Specification Detail	Your own notes – need to revise/further lesson required?
Introduction to Marketing objectives and strategy	Marketing objectives and strategy Marketing in its external environment Marketing metrics, i.e. ways of judging success Business to Consumer and Business to Business Marketing Marketing ethics	
The market	a) Mass markets and niche markets: <ul style="list-style-type: none"> • characteristics • market size and market share • brands b) Dynamic markets: <ul style="list-style-type: none"> • online retailing • how markets change • innovation and market growth • adapting to change c) How competition affects the market d) The difference between risk and uncertainty	
Market research	a) Product and market orientation b) Primary and secondary market research data (quantitative and qualitative) used to quantify likely demand and gain insight into consumer behaviour c) Limitations of market research, sample size and bias d) Use of ICT to support market research: <ul style="list-style-type: none"> • websites 	

	<ul style="list-style-type: none"> • social networking • databases <p>e) Market segmentation</p>	
Market positioning	<p>a) Market mapping</p> <p>b) Competitive advantage of a product or service</p> <p>c) The purpose of product differentiation</p> <p>d) Adding value to products/services</p>	
Demand (JA)	<p>Factors leading to a change in demand:</p> <ul style="list-style-type: none"> • changes in the prices of substitutes and complementary goods • changes in consumer incomes • fashions, tastes and preferences • advertising and branding • demographics • external shocks • seasonality 	
Supply (JA)	<p>Factors leading to a change in supply:</p> <ul style="list-style-type: none"> • changes in the costs of production • introduction of new technology • indirect taxes • government subsidies • external shocks 	
Markets (JA)	<p>a) The interaction of supply and demand</p> <p>b) The drawing and interpretation of supply and demand diagrams to show the causes and consequences of price changes</p>	
Price elasticity of demand (JA)	<p>a) Calculation of price elasticity of demand</p> <p>b) Interpretation of numerical values of price elasticity of demand</p> <p>c) The factors influencing price elasticity of demand</p> <p>d) The significance of price elasticity of demand to businesses in terms of implications for pricing</p>	

	<p>e) Calculation and interpretation of the relationship between price elasticity of demand and total revenue</p>	
Income elasticity of demand (JA)	<p>a) Calculation of income elasticity of demand b) Interpretation of numerical values of income elasticity of demand c) The factors influencing income elasticity of demand d) The significance of income elasticity of demand to businesses</p>	
Product/service design (JA)	<p>a) Design mix:</p> <ul style="list-style-type: none"> • function • aesthetics • cost <p>b) Changes in the elements of the design mix to reflect social trends:</p> <ul style="list-style-type: none"> • concern over resource depletion: designing for waste minimisation, re-use and recycling • ethical sourcing 	
Branding and Promotion	<p>a) Types of promotion b) Types of branding c) The benefits of strong branding:</p> <ul style="list-style-type: none"> • added value • ability to charge premium prices • reduced price elasticity of demand <p>d) Ways to build a brand</p> <ul style="list-style-type: none"> • unique selling points (USPs)/differentiation • advertising • sponsorship • the use of social media <p>e) Changes in branding and promotion to reflect social trends:</p> <ul style="list-style-type: none"> • viral marketing • social media • emotional branding 	

Essentials for Edexcel AS/1st Year Business Specification 2015

Title	Publisher	Potted review
Business Review	Philip Allan Magazines, Market Place, Deddington, Oxon OX15 0SE	With the move to linear and the ever-tighter requirement for more general knowledge of real business, Business Review is more important than ever. It will also give plenty of help with the new exam technique for the new Edexcel mark schemes
Topical Cases for Edexcel	A-Z Business Training Ltd, 3 Rayleigh Road, London SW19 3RE Email: iandmmarcouse@gmail.com	For £62 for the year, the 8 issues give you brand new, topical cases with questions and marking advice; there are no fewer than 4 pieces per issue - and in 2015 and 2016 there'll be a tight focus on the new material in the AQA Spec
Tutor2U	Tutor2U	The widely used website www.Tutor2u.net is loved for regularity of updates and the breadth of information an usable material. It has promised to build up its resources for Edexcel Business, but be careful to check that materials have been updates for the new 2015 specification
Biz/Ed	Biz/Ed is owned by Cengage publishers	For a more worthy, academically-minded website than Tutor2U, go to www.bized.co.uk . It may struggle to get materials up to date for the new specifications - but always worth a look.
EBEA	EBEA	Perhaps even more worthy than Biz/Ed, but again you may find it worth a look at www.ebea.org.uk The EBEA is the professional association for Business and Economics teachers.

Resources for Edexcel AS Specification Themes 1 and 2

Title	Author	Publisher	Potted review
Business for Edexcel AS Level (and 1 st year A Level)	Marcouse I.	Hodder Educational 2015 ISBN 978 1471 847769	This completely new book is the first one published for the new Edexcel AS/A Level course. As before, plenty of student activities/homeworks - plus full answer guide. The 2 nd year book will be out by Spring 2016 - in plenty of time for September
Marketing, 3 rd Edn	Baines P and Fill C	Oxford 2014 978-0-19-965953-1	Expensive but fine for providing an up-to-date view across all of marketing. The only Marketing book you need in the staffroom.
Essentials of Operations Management	Slack N et al	FT Prentice Hall 2011 978-0-273-75242-4	From the leading team of UK Ops academics, and therefore authoritative and up-to date. It has some very student-friendly diagrams such as the one on stock levels on page 250.
Accounting for Non-Specialists 8 th Edition	Atrill P and McLaney E	Pearson 2013 978-0-273-77803-5	Crucially, this is a UK academic text, avoiding Americanisations. It's well written and has excellent chapter summaries (some of which you may choose to photocopy for students)
The Daily Drucker	Drucker & Maciatiello	Butterworth Heinemann 2010 ISBN: 0 7506 6599 8	Wow, what a gem. 365 slices of Peter Drucker - each about half a page long - perfect for students to gain a real nugget from the great man. Especially strong on management and objectives, of course
Kotler on Marketing	Kotler P.	Free Press 2001	Masterful yet accessible book by a world authority on marketing.

		978-0-6848-6047-3	Chapter 6 on Designing the Marketing Mix is worth the (modest) cover price. If your budget is tight I'd buy it in preference to the Oxford marketing book (which is £45ish
Business Studies, 4 th Edition**	Hall, Jones and Raffo	Pearson 2008 978-1-4058-9231-5	Scarily huge, but it remains an important source of solid, factual information in an accessible form for students.
Management & Organisational Behaviour 10 th Edn	Mullins L.	Pearson 2013 978-0-273-79264-2	A vast book but a genuinely impressive one. Unlike other University texts it covers the basics, really well. So 'span of control' and 'chain of command' are explained properly; it also has plenty of case study examples
Principles of Marketing	Gbadamosi A. et al	Palgrave Macmillan 2013 ISBN: 9780230 392700	For the staff room or library: it's strong on modern marketing topics such as positioning, social media and global marketing
How They Started	Lester D	Crimson Publishing 2011 ISBN:978 1854 586896	9 updated stories of business start-ups, including super ones such as Glasses Direct, Gu, Innocent and Moneysupermarket.com,
How to Manage, 3 rd Edn	Owen J	PEARSON 2012 ISBN: 185458401-4	Quite cheap, good, student-friendly book that covers every aspect of management from budgeting to strategy via delegation. Good for staffroom and library
Ten Principles behind great customer experiences	Watkinson M.	Pearson 2013 ISBN: 9780273 775089	I like this book mainly because it's clear and simple on topics such as social media, loyalty cards and other aspects of the involvement of IT in marketing. It warns that IT cleverness does not = great customer experience
The Tech Entrepreneur's Survival Guide	Schoner Bernd	McGraw Hill 2014 ISBN 978 007182 3975	A good place to find out about bootstrapping, trademarks and patents, plus practical stuff about tech start-up, from remuneration to 'rightsizing'.
A-Z Worksheets (Photocopiable pack plus CD) for 2015	MarcouseI	A-Z Business Training Ltd Pack EDAS Edexcel Business 2015	100 worksheets on specific topics for Edexcel Business, 2015 Spec. Printed on high grade paper in ring binder for copying and comes with a CD for printing straight from your computer.
Topical Cases for Edexcel Business	Marcouse I	A-Z Business Training Ltd	This is an annual subscription that gets you regular topical cases (4 a month, typically) and a disk with all of last year's material.
Writers on Organisations, 6 th Edn	Pugh and Hickson	Penguin 2007 ISBN: 978 0141 029924	A classic. 4 or 5 pages on the ideas of each writer, including Handy, Hofstede, Taylor, Herzberg, Maslow, Drucker and many others. Short, sweet, super.
101 Ways to Grow Your Business	Williams H.	Lawpack Publishing 2012 978 1 909104 051	Folksy but thoughtful. Provides snippets for student reading, eg 500 words on improving profitability.
Financial Times Guide to Business Start Up 2014	Williams S	Pearson 2013 ISBN: 978 129200 4662	Very detailed book, full of authority and often insight; for staff, not students (though 'How to set a price' is a terrific chapter for students)

** With Teacher's Guides (answer books plus other resources)

Edexcel Theme 1 People, Productivity and Performance Revision Checklist

Specification heading	Specification Detail	Your own notes – need to revise/further lesson required?
Introduction to people, productivity and performance		
Approaches to staffing	a) Staff as an asset; staff as a cost b) Flexible workforce: <ul style="list-style-type: none"> • multi-skilling • part-time and temporary • flexible hours and home working • outsourcing c) Distinction between dismissal and redundancy d) Employer/employee relationships <ul style="list-style-type: none"> • individual approach • collective bargaining 	
Recruitment, selection and training	a) Recruitment and selection process: <ul style="list-style-type: none"> • internal versus external recruitment b) Costs of recruitment, selection and training c) Types of training: <ul style="list-style-type: none"> • induction • on-the-job • Off-the-job 	
Organisational Design	a) Structure: <ul style="list-style-type: none"> • hierarchy • chain of command • span of control • centralised and decentralised b) Types of structure: <ul style="list-style-type: none"> • tall • flat • matrix c) Impact of different organisational structures on business efficiency and motivation	

<p>Motivation in theory</p>	<p>a) The importance of motivation of staff to a business</p> <p>b) Motivation theories:</p> <ul style="list-style-type: none"> • Taylor (scientific management) • Mayo (human relations theory) • Maslow (hierarchy of needs) • Herzberg (two factor theory) 	
<p>Motivation in Practice</p>	<p>c) Financial incentives to improve staff performance:</p> <ul style="list-style-type: none"> • piecework • commission • bonus • profit share • performance-related pay <p>d) Non-financial techniques to improve staff performance:</p> <ul style="list-style-type: none"> • delegation • consultation • empowerment • team working • flexible working • job enrichment • Job rotation • Job enlargement 	
<p>Leadership</p>	<p>a) Leadership:</p> <ul style="list-style-type: none"> • the distinction between management and leadership <p>b) Types of leadership style:</p> <ul style="list-style-type: none"> • autocratic • paternalistic • democratic • laissez-faire 	
<p>Role of an entrepreneur</p>	<p>a) Creating and setting up a business</p> <p>b) Running and expanding/developing a business</p> <p>c) Innovation within a business (intrapreneurship)</p> <p>d) Barriers to entrepreneurship</p>	

	e) anticipating risk and uncertainty in the business environment	
Entrepreneurial motives and characteristics	a) Characteristics and skills required b) Reasons why people set up businesses: <ul style="list-style-type: none"> • financial motives: profit maximisation and profit satisficing • non-financial motives: ethical stance, social entrepreneurship, independence and home working 	
Business Objectives	a) Survival b) Profit maximisation c) Other objectives: <ul style="list-style-type: none"> • sales maximisation • market share • cost efficiency • employee welfare • customer satisfaction • social objectives 	
Forms of business	a) Sole trader, partnership and private limited company b) Franchising, social enterprise, lifestyle businesses, online businesses c) Growth to PLC and stock market flotation	
Business choices	a) Opportunity cost b) Choices and potential trade-offs	
Moving from entrepreneur to leader	a) Small business growth b) The risks of overtrading c) The difficulties in developing from an entrepreneur to a leader	
Revision for Theme 1		

Plan of action
Edexcel Theme 2 Resource Management Revision Checklist

Specification heading	Specification Detail	Your own notes – need to revise/further lesson required?
Introduction to Resource management		
Production, productivity and efficiency	a) Methods of production: job batch flow cell b) Productivity: <ul style="list-style-type: none"> ● output per unit of input per time period: ● factors influencing productivity ● link between productivity and competitiveness c) Efficiency: <ul style="list-style-type: none"> ● production at minimum average cost: ● factors influencing efficiency ● distinction between labour and capital intensive production 	
Capacity utilisation	a) Capacity utilisation: <ul style="list-style-type: none"> ● current output (divided by) maximum possible output (x 100) b) Implications of under- and over-utilisation of capacity c) Ways of improving capacity utilisation	
Stock control	a) Interpretation of stock control diagram b) Buffer stocks c) Implications of poor stock control d) Just in time (JIT) management of stock e) Waste minimisation f) Competitive advantage from lean production	
Quality management	a) Quality: <ul style="list-style-type: none"> ● control, assurance, circles, Total Quality Management (TQM) b) Continuous improvement (Kaizen)	

	c) Competitive advantage from quality management	
Economic influences	<p>a) The effect on businesses of changes in:</p> <ul style="list-style-type: none"> ● inflation (the rate of inflation, the Consumer Price Index) ● exchange rates (appreciation, depreciation) ● interest rates ● taxation and government spending ● the business cycle <p>b) The effect of economic uncertainty on the business environment</p>	
Legislation	<p>The effects on businesses of:</p> <ul style="list-style-type: none"> ● consumer protection ● employee protection ● environmental protection ● competition policy ● health and safety 	
Competitive Environment	Competition and market size	
Revision for Theme 2		

Theme 3: Business decisions and strategy revision checklist

Topic	Content	Your own notes – need to revise/further lesson required?
3.1 Business objectives and strategy and 3.4 Influences on business decisions	<p>3.1.1 Corporate objectives Development and levels Critical appraisal of these and their presentation</p> <p>3.4.1 Corporate influences The timescales on which businesses work Influences on decision-making</p> <p>3.4.4 Business ethics Trade-offs between profit and ethics and how this relates to objectives</p>	
3.4 Influences on business decisions	<p>3.4.3 Shareholders versus stakeholders Examples of stakeholders and their objectives Influences on business objectives Conflicts between stakeholders and stakeholders and the business</p>	
	<p>3.4.2 Corporate culture How culture is formed in relation to objectives, ethics, etc. Categorising culture and assessing its strength</p>	
3.1 Business objectives and strategy	<p>3.1.2 Theories of corporate strategy Ansoff, Porter, Boston Matrix Strategic and tactical decisions</p>	
	<p>3.1.3 SWOT analysis 3.1.4 Impact of external influences PESTLE analysis</p>	

3.2 Business growth	<p>3.2.1 Growth How and why businesses grow Problems of growth</p> <p>3.2.2 Mergers and takeovers Reasons Different categories/directions</p> <p>3.2.3 Organic growth Compare and contrast with mergers and takeovers, and reasons for staying small</p> <p>3.2.4 Reasons for staying small Links to new, highly competitive markets Avoidance of diseconomies of scale</p>	
3.3 Decision-making techniques	<p>3.3.1 Quantitative sales forecasting Times series analysis calculations Uses and limitations of quantitative sales forecasting</p>	
	<p>3.3.2 Investment appraisal Methods, calculation and interpretation Uses and limitations</p>	
	<p>3.3.3 Decision trees Construction and interpretation Uses and limitations</p>	
	<p>3.3.4 Critical Path Analysis Completion and interpretation Uses and limitations</p>	

<p>3.5 Assessing competitiveness</p>	<p>3.5.1 Interpretation of financial statements Statement of comprehensive income (profit and loss account) and statement of financial position (balance sheet) Stakeholder interest</p> <p>3.5.2 Ratio analysis Calculation and interpretation Uses and limitations</p>	
	<p>3.5.3 Human resources Quantitative measures of HR performance</p>	
<p>3.6 Managing change</p>	<p>3.6.1 Causes and effects of change 3.6.2 Key factors in change Link to topics covered within this theme</p> <p>3.6.3 Scenario planning Planning to reduce risk</p>	

Theme 4: Global business revision checklist

Topic	Content	Your own notes – need to revise/further lesson required?
4.1 Globalisation	4.1.1 Growing economies Measurements of different economies and economic performance Business opportunities	
	4.1.2 International trade and business growth Specialisation of economies and business Business growth via trade	
	4.1.3 Factors contributing to increased globalisation External factors (link to PESTLE)	
	4.1.4 Protectionism Threats posed to economies and businesses and reactions to these	
	4.1.5 Trading blocs As a reaction to protectionism between countries Opportunities and threats to businesses	

<p>4.2 Global markets and business expansion</p>	<p>4.2.1 Conditions that prompt trade Push and pull factors for businesses</p>	
	<p>4.2.2 Assessment of a country as a market 4.2.3 Assessment of a country as a production location Contrast the two, and compare and contrast factors</p>	
	<p>4.2.4 Reasons for global mergers or joint ventures 4.2.5 Global competitiveness How this is achieved and can be enhanced through working with other businesses</p>	
<p>4.3 Global marketing</p>	<p>4.3.1 Marketing On a global scale Strategic choices for different markets</p>	
	<p>4.3.3 Cultural and social issues Influences on marketing strategy 4.3.4 Niche markets Features and how these interact with cultural and social issues</p>	

4.4 Global industries and companies	4.4.1 The impact of MNCs Local impacts versus national impacts	
	4.4.2 Ethics Ethical discussions raised by the activities of MNCs	
	4.4.3 Controlling MNCs Possibilities and practicalities	