



Internal assessment sample tasks

**NCFE Level 3 Applied General Certificate in
Business and Enterprise**

QN: 601/8908/3

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Introduction

NCFE has created a set of sample tasks for each unit which you can contextualise to suit the needs of your learners to help them complete their internal assessment. The tasks have been designed to cover all the learning outcomes for each unit and provide opportunities for stretch and challenge.

You should plan the subject and apply the brief to the tasks in a way that suits your learners. If you choose to create your own internal assessment tasks, they must:

- be accessible and lead to objective assessment judgements
- permit and encourage authentic activities where the learner's own work can be clearly judged
- permit effective discrimination between learners operating at different levels
- cover the required content.

NCFE has provided guidance to help Teachers create valid and reliable internal assessment tasks. You must refer to this guidance when creating your own internal assessment tasks. The guidance can be found on our website.

There is also an assessment checking service. The Assessment Checking Service provides centres with the opportunity to have your assessments checked. For more information please visit our website - www.ncfe.org.uk.

Grading descriptors have been written for each learning outcome within a unit. Assessors must be confident that, as a minimum, all learning outcomes have been evidenced and met by the learner. Assessors must make a judgement on the evidence produced by the learner to determine the grading decision for the unit as a whole.

Unit 01 Starting a business/enterprise (T/508/4496)**Internal assessment tasks****Tasks 1-3 - Learning Outcome 1 – Approx 10 hours**

NCFE Consultancy is a business services agency based in York. Their clients include business owners who wish to develop their own business. NCFE Consultancy provides clients with information to help them do this.

To encourage people to follow their dream and start their own business, NCFE Consultancy runs a one-day seminar called 'Start-Up and Go – Planning your own Business'.

At the seminar, everyone will receive a Business Start-Up information pack.

You are an employee at NCFE Consultancy.

As part of your role you are required to assist with the preparation of the Business Start-Up information pack.

Task 1 (LO 1)

You have been asked to provide a booklet for the information pack which will advise the people attending the seminar on the following:

- the different legal structures of a business/enterprise. You should include advantages and disadvantages for each
- small-, medium- and large-size businesses/enterprises
- the different types of business/enterprise aims and objectives
- business/enterprise transaction models
- any legal implications they may face when:
 - deciding on their products/services, such as patents and copyright and a business/enterprise
 - naming their business/enterprise, such as trademarks.

Your booklet should have a professional look and you could use examples to support the information.

Additionally, you may also choose to discuss how the aims/objectives of a business/enterprise may vary depending on the:

- product/service provided
- size of business/enterprise
- legal structure.

You should reference all sources used.

Unit 01 Starting a business/enterprise (T/508/4496) (cont'd)**Internal assessment tasks (cont'd)****Task 2 (LO 1)**

Your manager from NCFE Consultancy will be giving a presentation to the people attending the seminar called 'Being a Successful Entrepreneur'.

You've been asked to produce appropriate slides and speaker notes for the presentation.

The presentation must explain:

- innovation and invention
- the skills and characteristics required to be a successful entrepreneur.

It is important that you include examples to support the points.

You should reference all sources used.

Task 3 (LO 1)

Your manager also wants the people attending to understand the concept of stakeholders, including the importance of stakeholders and the possible impact they can have on a business/enterprise.

Your task is to produce 'A Guide to Stakeholders'.

The guide must explain:

- the role of stakeholders and the influence they can have on business decisions
- the difference between internal and external stakeholders
- stakeholder mapping.

It is important that you include examples to support the points and discuss the influence the examples may have on decision-making within a business/enterprise.

Additionally, you may also want to include:

- the ways in which the interests of different stakeholder groups might come into conflict with each other
- the possible impact of these conflicts on a business/enterprise
- the entrepreneurial characteristics and skills required to address any potential stakeholder conflicts.

You should reference all sources used.

Unit 01 Starting a business/enterprise (T/508/4496) (cont'd)

Internal assessment tasks (cont'd)

Types of evidence:

You must provide:

- a Business Start-Up information pack consisting of:
 - booklet
 - presentation with speaker notes
 - guide.

Unit 01 Starting a business/enterprise (T/508/4496) (cont'd)**Internal assessment tasks (cont'd)**

If you're aiming for a Merit or Distinction, it's particularly important that you're familiar with what these grades require as you work through the tasks.

Grading descriptors	Grading examples
<p>Pass: Uses technical terms consistently to explain knowledge, theories and concepts.</p>	<p>Learners will explain all of the following using accepted business/enterprise terminology; some areas may lack detail:</p> <ul style="list-style-type: none"> • the difference between innovation and invention • the legal structures of different-sized businesses/enterprises • the legalities of name and product/service choice • the main types of business/enterprise aims and objectives • stakeholders in the business/enterprise • to whom they sell (business transaction models) • the characteristics and skills needed by entrepreneurs. <p>eg the learner may provide a simple explanation of a sole trader with one advantage and one disadvantage.</p>

Unit 01 Starting a business/enterprise (T/508/4496) (cont'd)**Internal assessment tasks (cont'd)**

Grading descriptors	Grading examples
<p>Merit: Uses technical terms consistently to explain <u>a wide range</u> of sophisticated knowledge, theories and concepts.</p>	<p>Learners will explain all of the following in detail using accepted business/enterprise terminology:</p> <ul style="list-style-type: none"> • the difference between innovation and invention • the legal structures of different-sized businesses/enterprises • the legalities of name and product/service choice • the main types of business/enterprise aims and objectives • stakeholders in the business/enterprise • to whom they sell (business transaction models) • the characteristics and skills needed by entrepreneurs. <p>eg the learner may provide a detailed explanation of a sole trader with a wide range of advantages and disadvantages.</p>
<p>Distinction: Uses technical terms consistently to explain and discuss <u>the interrelationships</u> in a wide range of complex and sophisticated knowledge, theories and concepts.</p>	<p>Learners will explain all of the following in detail, using accepted business/enterprise terminology:</p> <ul style="list-style-type: none"> • the difference between innovation and invention • the legal structures of different-sized businesses/enterprises • the legalities of name and product/service choice • the main types of business/enterprise aims and objectives • stakeholders in the business/enterprise • to whom they sell (business transaction models) • the characteristics and skills needed by entrepreneurs. <p>Explanations will include discussion of the interrelationships between some of the areas.</p> <p>eg the learner may discuss the motives of the decision makers of a limited company regarding use of profits compared with those of a sole trader.</p>

Unit 01 Starting a business/enterprise (T/508/4496) (cont'd)**Internal assessment tasks (cont'd)****Tasks 4-6 – Learning Outcome 2 – Approx 5 hours**

The afternoon session of the seminar will focus on business planning.

As part of the Business Start-Up information pack, the people attending the seminar will receive information to help illustrate the purpose and sections of a business plan.

Task 4 (LO 2)

Produce an annotated mind map to illustrate the purposes of a business plan.

Task 5 (LO 2)

Create a poster showing what should be included in the following sections of a business plan:

- description of the company
- analysis of the market in which it operates
- marketing, people and operations
- financial planning.

It is important that you use appropriate business/enterprise terminology in your poster.

You may also want to include examples to help the people attending understand each section.

Task 6 (LO 2)

The last section of the Business Start-Up information pack is a FAQ section.

As part of the FAQs, you're required to describe the consequences of poor business planning.

You should include examples to help the people attending understand the importance of planning.

Types of evidence:

You must provide:

- reports and presentations that take the form of:
 - annotated mind map
 - poster
 - FAQs.

Unit 01 Starting a business/enterprise (T/508/4496) (cont'd)**Internal assessment tasks (cont'd)**

If you're aiming for a Merit or Distinction it's particularly important that you're familiar with what these grades require as you work through the tasks.

Grading descriptors	Grading examples
<p>Pass: Describes issues of current practice.</p>	<p>Learners will describe the purpose of a business plan (including the consequences of not having a plan) and all the following sections of the business plan. Some descriptions may lack the appropriate business/enterprise language, or the business/enterprise language may not be used appropriately in context:</p> <ul style="list-style-type: none"> • description of the company • analysis of the market in which it operates • marketing, people and operations • financial planning. <p>eg the learner may explain price as part of the marketing mix but use the term 'cost' as interchangeable with 'price'.</p>
<p>Merit: Describes issues of current practice, <u>using appropriate specialist language</u> in context.</p>	<p>Learners will describe the purpose of a business plan (including the consequences of not having a plan) and all of the following sections of the business plan in detail, using appropriate business/enterprise language, in context, throughout:</p> <ul style="list-style-type: none"> • description of the company • analysis of the market in which it operates • marketing, people and operations • financial planning. <p>eg the learner may fully describe the part price plays in the marketing mix with accurate use of business terminology throughout the explanation.</p>

Unit 01 Starting a business/enterprise (T/508/4496) (cont'd)**Internal assessment tasks (cont'd)**

Grading descriptors	Grading examples
<p>Distinction: Describes issues of current practice, <u>correctly applying specialist language</u> in context.</p>	<p>The learner will describe the purpose of a business plan (including the consequences of not having a plan) and all of the following sections of the business plan in detail, correctly applying specialist language in context throughout:</p> <ul style="list-style-type: none"> • description of the company • analysis of the market in which it operates • marketing, people and operations • financial planning. <p>eg the learner may describe the part price plays in the marketing mix consistently and correctly using appropriate business/enterprise terminology, supporting their answer with fully contextualised examples. In this case examples could include reference to the different parts price may play in the mix for a business/enterprise launching in a niche market as opposed to a mass market.</p>

Unit 02 Research and analysis methods for business and enterprise (A/508/4497)**Internal assessment tasks****Tasks 1-6 – Learning Outcome 1 – Approx 10 hours**

NCFE Consultancy is a business services agency based in York. Their clients include potential entrepreneurs who wish to start up their own business. NCFE Consultancy provides information and advice to help entrepreneurs do this.

Jo Smith is a client of NCFE Consultancy. She intends to set up an organic juice bar business. She is ambitious and her plan is to have more than one juice bar.

Jo attended a one-day seminar provided by NCFE Consultancy called 'Start-up and Go – Planning your own Business'. The seminar has helped Jo to make some decisions about her organic juice bar business. She will operate as a sole trader and wants to open her first organic juice bar, in Sunderland, later this year.

Jo will need to raise external finances to start her business. From the seminar she attended, she knows that she has to demonstrate to finance providers that she has fully researched the market and understands the costs her business will encounter.

For clients that have already attended the one day seminar, NCFE Consultancy also offers a follow-up service that allocates a dedicated Business Start-Up Advisor to the client for 5 days. Jo has signed up to this service as she still has some questions she needs answered.

Unit 02 Research and analysis methods for business and enterprise (A/508/4497) (cont'd)**Internal assessment tasks (cont'd)**

You are employed by NCFE Consultancy as a Business Start-Up Advisor.

Your role is to support Jo over the next 5 days.

Jo has some questions around research and analysis methods for her business.

Your task is to produce a report for Jo which provides this information.

Task 1 (LO 1) Research methods

Explain the advantages and disadvantages of a range of primary and secondary research methods that Jo could employ for her business.

Task 2 (LO 1) Data collection methods

- (i) Explain the differences between qualitative and quantitative data collection methods.
- (ii) Explain the advantages and disadvantages of each of these collection methods for Jo's business.

Task 3 (LO 1) Orientation and market types

- (i) Explain the advantages and disadvantages of both product orientation and market orientation for Jo's business.
- (ii) Explain the advantages and disadvantages to a business of being in a mass market.
- (iii) Explain the advantages and disadvantages to a business of being in a niche market.

Task 4 (LO 1) Market profile

- (i) Explain the ways in which Jo can segment her target market.
- (ii) Explain how each of the following factors may affect Jo's business:
 - if the industry is growing or declining
 - the threats posed by new entrants into Jo's industry
 - the powers of Jo's suppliers and customers.
- (iii) Explain how you would classify competitors to Jo's business.
- (iv) Explain the factors Jo needs to consider when choosing her suppliers.

Task 5 (LO 1) Costs

Explain the start-up and running costs Jo's business will face.

Unit 02 Research and analysis methods for business and enterprise (A/508/4497) (cont'd)

Internal assessment tasks (cont'd)

Task 6 (LO 1) Growth opportunities

- (i) Explain the different ways that Jo can choose from to expand her business.
- (ii) Explain the advantages and disadvantages of each of the growth methods you explained.

Types of evidence:

You must provide:

- a report.

Unit 02 Research and analysis methods for business and enterprise (A/508/4497) (cont'd)

If you're aiming for a Merit or Distinction it's particularly important that you're familiar with what these grades require, as you work through the tasks.

Grading descriptors	Grading examples
<p>Pass: Uses technical terms consistently to explain knowledge, theories and concepts.</p>	<p>Learners will explain, using accepted business/enterprise terminology:</p> <ul style="list-style-type: none"> • the different research and data collection methods used by businesses/enterprises • product/market and orientation types of business/enterprise • market profile • start-up and running costs for a new business/enterprise • the growth opportunities available. <p>Some areas may lack detail.</p> <p>eg a learner may provide a simple explanation of primary research with one advantage and one disadvantage.</p>
<p>Merit: Uses technical terms consistently to explain <u>a wide range</u> of sophisticated knowledge, theories and concepts.</p>	<p>Learners will explain in detail, using accepted business/enterprise terminology:</p> <ul style="list-style-type: none"> • the different research and data collection methods used by businesses/enterprises • product/market and orientation types of business/enterprise • market profile • start-up and running costs for a new business/enterprise • the growth opportunities available. <p>eg a learner may provide a definition of primary research and a detailed discussion of a wide range of its advantages and disadvantages.</p>

Unit 02 Research and analysis methods for business and enterprise (A/508/4497) (cont'd)

<p>Distinction: Uses technical terms consistently to explain and discuss <u>the interrelationships</u> in a wide range of complex and sophisticated knowledge, theories and concepts.</p>	<p>Learners will explain in detail, using accepted business/enterprise terminology:</p> <ul style="list-style-type: none"> • the different research and data collection methods used by businesses/enterprises • product/market and orientation types of business/enterprise • market profile • start-up and running costs for a new business/enterprise • the growth opportunities available. <p>Learners will discuss possible interrelationships between the various elements.</p> <p>eg the learner may explain, in detail, the concepts of niche and mass marketing and go on to discuss the interrelationship between the running costs of a business/enterprise operating in a niche market, the demands of the target market and the price that businesses/enterprises charge. This could be compared with a business/enterprise operating in a mass market.</p>
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Unit 02 Research and analysis methods for business and enterprise (A/508/4497) (cont'd)**Internal assessment tasks (cont'd)****Section B****5 hours approx**

Jo has secured 75% of the start-up capital needed for her business and has applied for a government grant for small businesses for the remainder.

As part of the loan application process she has to provide information to a panel that awards the grants. She feels confident that she can use the answers you previously supplied her with to handle most of their questions, but needs further help with:

- understanding market mapping
- understanding the elements of PEST and SWOT analysis.

Jo has asked for help pulling together the remainder of information, so that she can use it at the panel meeting.

Task 7 (LO 2)

- (i) Using accepted business/enterprise terminology, explain to Jo the advantages and disadvantages of using market mapping.
- (ii) To help Jo fully understand the concept of market mapping, include an example of a market map from any industry with which you are familiar.

Task 8 (LO 2)

Using accepted business/enterprise terminology, describe the factors that should be included in a SWOT analysis for a business.

You may wish to include some examples that relate directly to Jo's business.

Task 9 (LO 2)

Using accepted business/enterprise terminology, describe the factors that could be included in a PEST analysis for a business.

You may wish to include some examples that relate directly to Jo's business.

Unit 02 Research and analysis methods for business and enterprise (A/508/4497) (cont'd)

Types of evidence:

You must provide:

- a report or presentation.

Unit 02 Research and analysis methods for business and enterprise (A/508/4497) (cont'd)

If you're aiming for a Merit or Distinction it's particularly important that you're familiar with what these grades require, as you work through the tasks.

Grading descriptors	Grading examples
<p>Pass: Uses technical terms consistently to explain knowledge, theories and concepts.</p>	<p>Learners will explain, using accepted business/enterprise terminology:</p> <ul style="list-style-type: none"> • the different components of a SWOT and PEST analysis • the concept of market mapping. <p>Some areas may lack detail.</p> <p>eg a learner may provide a simple explanation of a SWOT analysis with very few examples to enhance the explanation.</p>
<p>Merit: Uses technical terms consistently to explain <u>a wide range</u> of sophisticated knowledge, theories and concepts.</p>	<p>Learners will explain, in detail, using accepted business/enterprise terminology:</p> <ul style="list-style-type: none"> • the different components of a PEST and SWOT analysis, using accepted business/enterprise terminology • the concept of market mapping. <p>eg a learner may provide a detailed explanation of a SWOT analysis which includes relevant examples for strengths, weaknesses, opportunities and threats to enhance the explanation.</p>

Unit 02 Research and analysis methods for business and enterprise (A/508/4497) (cont'd)

Grading descriptors	Grading examples
<p>Distinction: Uses technical terms consistently to explain and discuss <u>the interrelationships</u> in a wide range of complex and sophisticated knowledge, theories and concepts.</p>	<p>Learners will explain, in detail, using accepted business/enterprise terminology consistently:</p> <ul style="list-style-type: none"> • the different components of a PEST and SWOT analysis, using accepted business/enterprise terminology • provide a detailed explanation of the concept of market mapping. <p>Learners will discuss the possible interrelationships between the various elements.</p> <p>eg a learner may provide a detailed explanation of a SWOT analysis which includes relevant examples for strengths, weaknesses, opportunities and threats to enhance the explanation. The learner may then go on to explain the possible interrelationship between the laws governing business/enterprise activity, a business's/enterprise's costs and its degree of competitiveness.</p>

Unit 03 Marketing and promotion for business and enterprise (F/508/5120)**Internal assessment tasks****Task 1 (Learning Outcome 1) – Approx 10 hours**

NCFE Consultancy is a business services agency based in York. Their clients include potential entrepreneurs who wish to start up their own business. NCFE Consultancy provides information and advice to help entrepreneurs do this.

Your line manager has been impressed by the work you recently undertook with one of the clients, Jo Smith.

As a result you have been tasked with designing an information pack on the marketing mix that could be provided to all budding entrepreneurs.

Unit 03 Marketing and promotion for business and enterprise (F/508/5120) (cont'd)**Internal assessment tasks (cont'd)****Task 1 (LO 1)**

Produce an information pack on the marketing mix for potential entrepreneurs.

The booklet will cover the following:

- **product/service**
 - product lifecycle
 - Boston Matrix
 - Ansoff Matrix

- **place**
 - the different places where product/service can be sold – including their advantages and disadvantages
 - the different distribution channels available – including their advantages and disadvantages

- **price**
 - price elasticity of demand
 - the factors that determine a product's price elasticity of demand
 - how price elasticity of demand is calculated
 - how price elasticity of demand affects pricing decisions
 - pricing strategies. This section should include information on different pricing strategies available to a business/enterprise and the advantages and disadvantages of each:
 - penetration pricing
 - price skimming
 - cost plus pricing
 - promotional pricing
 - competition-based pricing

- **promotion**
 - above-the-line promotion methods
 - below-the-line promotion methods

- **Unique Selling Point (USP) and added value**
 - the concepts of a USP and added value
 - how a business can enhance its USP and add value to a product/service.

Unit 03 Marketing and promotion for business and enterprise (F/508/5120) (cont'd)

Internal assessment tasks (cont'd)

Types of evidence:

You must provide:

- an information pack which could include leaflets, posters, presentations, reports.

Unit 03 Marketing and promotion for business and enterprise (F/508/5120) (cont'd)

If you're aiming for a Merit or Distinction it's particularly important that you're familiar with what these grades require, as you work through the tasks.

Grading descriptors	Grading examples
<p>Pass: Uses technical terms consistently to explain knowledge, theories and concepts.</p>	<p>Learners will explain, using business/enterprise terminology:</p> <ul style="list-style-type: none"> • the concept of the 4 elements of the marketing mix • how they can enhance a USP and add value. <p>Some areas may lack detail.</p> <p>eg a learner may provide simple explanations of product lifecycle (including only one or two extension strategies), the Boston Matrix and the Ansoff Matrix. There will be few, if any, examples to support the explanation.</p>
<p>Merit: Uses technical terms consistently to explain <u>a wide range</u> of sophisticated knowledge, theories and concepts.</p>	<p>The learner will explain in detail, using business/enterprise terminology:</p> <ul style="list-style-type: none"> • the concept of the 4 elements of the marketing mix • how they can enhance a USP and add value. <p>eg a learner may provide detailed explanations of product lifecycle (including a minimum of three extension strategies), the Boston Matrix and the Ansoff Matrix. The learner will provide relevant examples to support the explanation.</p>

Unit 03 Marketing and promotion for business and enterprise (F/508/5120) (cont'd)

Grading descriptors	Grading examples
<p>Distinction: Uses technical terms consistently to explain and discuss <u>the interrelationships</u> in a wide range of complex and sophisticated knowledge, theories and concepts.</p>	<p>The learner will explain in detail, using accepted business/enterprise terminology:</p> <ul style="list-style-type: none"> • the concept of the 4 elements of the marketing mix • how they can enhance a USP and add value. <p>The learner will discuss the possible interrelationships between the various elements.</p> <p>eg a learner may provide detailed explanations of product lifecycle (including a minimum of three extension strategies), the Boston Matrix and the Ansoff Matrix and discuss their possible interrelationships. The learner will provide relevant examples to support the explanation.</p>

Unit 03 Marketing and promotion for business and enterprise (F/508/5120) (cont'd)**Internal assessment tasks (cont'd)****Task 2 (Learning Outcome 2) – Approx 5 hours**

NCFE Consultancy is running an online course for potential entrepreneurs next month. The course is called 'Creating a Promotional Campaign'.

The online course will feature a presentation on how to devise a promotional campaign. As your line manager was impressed with the information pack you created in Task 1, you have now been asked to create the presentation for the online course.

Task 2 (LO 2)

Create a presentation on how to devise a promotional campaign.

The presentation will need to cover the following:

- **planning a campaign**
 - this will include the 5 steps a business/enterprise takes to create a promotional campaign
- **promotional objectives**
 - this will cover the different possible objectives a promotional campaign might have depending on the product/service and its position in the market
- **above- and below-the-line promotional methods**
 - this will need to cover the advantages and disadvantages of above-the-line compared to below-the-line methods
 - a table that identifies examples of each
- **promotional mix**
 - this must list all the main factors that determine the promotional mix and an explanation of them, eg stages of the product lifecycle; budget/cost of promotion; the target market etc
- **promotional budget**
 - why a budget is needed
 - a breakdown of the costs of a promotional mix
 - why businesses need to set limits on spending
- **measuring success**
 - the different ways a business/enterprise can measure the success of a promotional campaign.

Types of evidence:

You must provide:
a presentation.

Unit 03 Marketing and promotion for business and enterprise (F/508/5120) (cont'd)

If you're aiming for a Merit or Distinction it's particularly important that you're familiar with what these grades require, as you work through the tasks.

Grading descriptors	Grading examples
<p>Pass: Uses technical terms consistently to explain knowledge, theories and concepts.</p>	<p>Learners will explain, using business/enterprise terminology:</p> <ul style="list-style-type: none"> • how a promotional campaign is planned and prepared, taking account of the objectives • other influences on the promotional mix and budget limitations • the different above- and below-the-line methods of promotion and how the success of a campaign can be measured. <p>Some areas may lack detail. eg a learner may provide a simple explanation of the concept of the promotional budget, identifying only one or two of the costs and factors that determine the limit on costs.</p>
<p>Merit: Uses technical terms consistently to explain <u>a wide range</u> of sophisticated knowledge, theories and concepts.</p>	<p>Learners will explain in detail, using business/enterprise terminology:</p> <ul style="list-style-type: none"> • how a promotional campaign is planned and prepared, taking account of the objectives • other influences on the promotional mix and budget limitations • the different above- and below-the-line methods of promotion and how the success of a campaign can be measured. <p>eg a learner may provide a detailed explanation of the concept of the promotional budget, identifying and explaining the relevance of a number of the costs and factors that determine the limit on costs.</p>

Unit 03 Marketing and promotion for business and enterprise (F/508/5120) (cont'd)

Grading descriptors	Grading examples
<p>Distinction: Uses technical terms consistently to explain and discuss <u>the interrelationships</u> in a wide range of complex and sophisticated knowledge, theories and concepts.</p>	<p>Learners will explain in detail, consistently using business/enterprise terminology:</p> <ul style="list-style-type: none"> • how a promotional campaign is planned and prepared, taking account of the objectives • other influences on the promotional mix and budget limitations • the different above- and below-the-line methods of promotion and how the success of a campaign can be measured. <p>Learners will also discuss the possible interrelationships between the elements.</p> <p>eg a learner may provide a detailed explanation of the concept of the promotional budget, identifying and explaining both the relevance of a number of the costs, the factors that determine the limit on costs and their possible interrelationships. This could be the constraints placed on the frequency and coverage of a linked television and billboard advertising campaign due to cost and affordability.</p>

Unit 04 Management of people and operations for business and enterprise (J/508/4499)**Internal assessment tasks****Task 1 (Learning Outcome 1) – Approx 15 hours**

Martin George is a brilliant inventor. He revolutionised the design of washing machines with a new system of drum rotation that he patented 5 years ago. His business expanded quickly and within 2 years he owned 2 factories and employed 250 production workers. Since then the business has quadrupled in size. His business is called Splosch Ltd.

His management team has never been formally organised. When he started up he employed friends and members of his family in the management positions. His management team has grown in a haphazard fashion and it's not clear to some managers where their authority and responsibility lies – this has led to some serious disagreements in the weekly management team meetings.

Martin has no background at all in business, having specialised at college and university in modern languages.

His leadership style has been described as autocratic.

He was asked in a recent interview on TV if his business had a tall or flat organisational structure – he smiled and said 'I don't even know what those terms mean'.

Recently there has been evidence of increasing demotivation amongst workers in his factories and there has been an overtime ban in one factory since the start of the year. Factory workers are paid by the hour. They are paid well above the Living Wage but there are no financial or non-financial methods of motivation employed.

His company, currently a private limited company, is likely to become a plc within the next 12 months. Before that can take place Martin wants to put his business on a more organised footing.

He called on a close friend, Josey, a very successful entrepreneur, to visit the company and highlight issues that the business needed to tackle. Josey found that this business had grown so quickly that insufficient attention has been paid to the fundamentals of business organisation. In particular there is:

- a lack of formal organisation of the business structure
- no company mission or vision statement
- no policy on how to motivate staff
- an ignorance of methods to improve efficiency and ensure quality standards are met.

Josey suggested that Martin needed to hire a business consultant to provide detailed reports on these issues. Martin contacted NCFE Consultancy, a business services agency, for help. You work for NCFE Consultancy as a Business Advisor and have been seconded to Splosch Ltd for 9 days to work closely with Martin.

Unit 04 Management of people and operations for business and enterprise (J/508/4499) (cont'd)**Internal assessment tasks (cont'd)****Task 1 (LO 1)**

Your role is to fill in the gaps in Martin's knowledge of how to more efficiently organise his business and motivate his workforce. You will meet daily with Martin to be given tasks to undertake.

Day 1

Martin is conscious that his business does not have a mission or vision statement, which illustrate the company values.

- a) Produce a report, with reference to Splosch Ltd, to explain how these two concepts illustrate a company's values.

Day 2

Martin is aware that 'culture' is a buzzword used in many businesses and has seen that some businesses now make use of Charles Handy's model – he knows nothing of this.

- b) Produce a report on business culture and in particular how Charles Handy's model could be applied to Splosch Ltd.

Day 3

Martin wonders if his current leadership style is suited to a business of this size and one that will become a plc next year.

- c) Produce a report describing the alternative styles Martin could adopt and in particular discuss the Tannenbaum and Schmidt model he read about in a recent business magazine.

Day 4

Martin believes that his factory workers should be grateful to have a well-paid job. He doesn't see the benefits of having a motivated workforce – this is not a view shared by some other members of his management team.

- d) Produce a report explaining the potential benefits to the business of a well-motivated workforce.

Day 5

Martin can now see the benefits of having a well-motivated workforce and accepts that the business needs to act on this issue. In management meetings he has been mystified by some staff members' conversations where they have quoted motivation theories which he knows nothing about. Not wishing to appear ignorant, Martin wants to know more about the following:

- Herzberg
- Hackman and Oldham
- Maslow.

- e) Produce a report on the above-named theorists.

Unit 04 Management of people and operations for business and enterprise (J/508/4499) (cont'd)**Internal assessment tasks (cont'd)****Day 6**

Martin also wants practical advice on methods that could be used to improve motivation in his factory.

- f) Produce a report explaining the financial and non-financial methods that could be employed in Splosch Ltd's factories.

Days 7, 8 and 9

Martin has sent you an email.

Read the email below and then complete Task g.

New message	
To:	NCFE Consultancy
From:	Martin George (Splosch)
Subject:	Days 7, 8 and 9
<p><i>Hi</i></p> <p><i>Unfortunately I have been called away to meet a key component supplier for our washing machines and won't be able to meet with you over the next 3 days as planned.</i></p> <p><i>I had wanted to ask your advice on the following:</i></p> <ul style="list-style-type: none"> • <i>organisational structures and features</i> • <i>ensuring consistent quality of our washing machines</i> • <i>methods to improve efficiency.</i> <p><i>Please could you produce 3 separate presentations that I can use at a meeting I have with the company directors next week. Your presentations will provide the basis for discussions and decision-making at board level.</i></p> <p><i>Thanks, Martin</i></p>	

- g) Create 3 presentations that Martin can use with the company directors to cover the 3 points he has mentioned in his email.

Unit 04 Management of people and operations for business and enterprise (J/508/4499) (cont'd)

Internal assessment tasks (cont'd)

Types of evidence:

You must provide:

- reports to cover tasks 1a – f
- 3 presentations to cover task 1g.

Unit 04 Management of people and operations for business and enterprise (J/508/4499) (cont'd)

If you're aiming for a Merit or Distinction it's particularly important that you're familiar with what these grades require, as you work through the tasks.

Grading descriptors	Grading examples
<p>Pass: Uses technical terms consistently to explain knowledge, theories and concepts</p>	<p>Learners will explain all of the following concepts using accepted business/enterprise terminology:</p> <ul style="list-style-type: none"> • mission statements • vision statements • company values • organisational culture. <p>Learners will also explain:</p> <ul style="list-style-type: none"> • leadership, management and motivation theories • the different types of organisation structures and features, and operational considerations. <p>Some areas may lack detail.</p> <p>eg a learner may provide a simple explanation of the concept of different leadership styles with only one advantage and disadvantage of each. The explanation may lack detail.</p>
<p>Merit: Uses technical terms consistently to explain <u>a wide range</u> of sophisticated knowledge, theories and concepts.</p>	<p>The learner will explain, in detail, all of the following concepts, using accepted business/enterprise terminology:</p> <ul style="list-style-type: none"> • mission statements • vision statements • company values • organisational culture. <p>Learners will also explain:</p> <ul style="list-style-type: none"> • leadership, management and motivation theories • the different types of organisation structures and features, and operational considerations. <p>eg a learner may provide a detailed explanation of the concept of different leadership styles, including a number of advantages and disadvantages of each. Examples of situations when a particular style might be appropriate could be included to enhance the explanation; this could be the most appropriate style when speedy decision making is required.</p>

Unit 04 Management of people and operations for business and enterprise (J/508/4499) (cont'd)

If you're aiming for a Merit or Distinction it's particularly important that you're familiar with what these grades require, as you work through the tasks.

Grading descriptors	Grading examples
<p>Distinction</p> <p>Uses technical terms consistently to explain and discuss <u>the interrelationships</u> in a wide range of complex and sophisticated knowledge, theories and concepts.</p>	<p>Learners will explain, in detail, all of the following concepts, consistently using accepted business/enterprise terminology:</p> <ul style="list-style-type: none"> • mission statements • vision statements • company values • organisational culture. <p>Learners will also explain:</p> <ul style="list-style-type: none"> • leadership, management and motivation theories • the different types of organisation structures and features, and operational considerations. <p>Learners will also discuss the possible interrelationships between the various elements. eg a learner may provide a detailed explanation of the concept of the different leadership styles and organisational structures. Their possible interrelationships, including their advantages and disadvantages will be explained in depth. This could be the link between moving from a tall structure to a flatter structure and the potential need for a change in management style as spans of control change.</p>

Unit 04 Management of people and operations for business and enterprise (J/508/4499) (cont'd)**Internal assessment tasks (cont'd)****Task 2 (Learning Outcome 2) – Approx 6 hours**

NCFE Consultancy has been approached by a local education authority (LEA) to run a seminar for newly qualified Business teachers. The LEA wants to ensure that these teachers have an up-to-date knowledge of employment and remuneration methods used in business today.

As you work as a Business Advisor for NCFE Consultancy, you have been asked to design a presentation for this seminar.

Task 2 (LO2)

Produce a presentation, aimed at newly qualified Business teachers that covers the following:

- types of employment
- methods of remuneration
- legal considerations.

Types of evidence:

You must provide:

- a presentation.

Unit 04 Management of people and operations for business and enterprise (J/508/4499) (cont'd)

If you're aiming for a Merit or Distinction it's particularly important that you're familiar with what these grades require, as you work through the tasks.

Grading descriptors	Grading examples
<p>Pass: Describes issues of current practice.</p>	<p>Learners will describe:</p> <ul style="list-style-type: none"> • the different types of employment contracts • the different ways that employees can be remunerated and any legislation related to recruitment and selection of candidates. <p>Some of the language used may be of a general nature rather than specialist business/enterprise language.</p> <p>eg the learner may describe the different types of employment with little or no context. When business terms are used it may be inconsistently and not in context.</p>
<p>Merit: Describes issues of current practice, <u>using</u> appropriate <u>specialist language</u> in context.</p>	<p>Learners will describe, using accepted business/enterprise terminology:</p> <ul style="list-style-type: none"> • the different types of employment contracts • the different ways that employees can be remunerated and any legislation related to recruitment and selection of candidates. <p>eg the learner may describe the different types of employment, consistently using appropriate business/enterprise terminology, supporting some of their answer with contextualised examples. Examples might include situations where a business/enterprise might choose to use part-time workers.</p>

Unit 04 Management of people and operations for business and enterprise (J/508/4499) (cont'd)

Grading descriptors	Grading examples
<p>Distinction: Describes issues of current practice, <u>correctly applying specialist language</u> in context.</p>	<p>Learners will describe, consistently and correctly using business/enterprise terminology in context:</p> <ul style="list-style-type: none"> • the different types of employment contracts • the different ways that employees can be remunerated and any legislation related to recruitment and selection of candidates. <p>eg the learner may describe the different types of employment, consistently and correctly using appropriate business/enterprise terminology, supporting their answer with fully contextualised examples. In this case, examples will include at least one situation of when and why each type of employment would be considered suitable.</p>

Unit 04 Management of people and operations for business and enterprise (J/508/4499) (cont'd)**Internal assessment tasks (cont'd)****Task 3 (Learning Outcome 3) – Approx 5 hours**

One of your friends is a Business Studies teacher and has sent you the following email.

New message	
From:	James
Subject:	Advert
<p><i>Hi</i></p> <p><i>I saw an advert on the net and thought you might be interested!</i></p> <p><i>See below:</i></p> <div style="border: 1px solid black; padding: 10px; margin: 10px 0;"> <p>STUDENTSUPPORT.NET</p> <p>StudentSupport is the Online Educational Publisher. We provide a comprehensive range of resources to teachers and students including:</p> <ul style="list-style-type: none"> • regular and comprehensive study support via our free subject blogs • digital and printed teaching and revision materials to support A Level, GCSE and a range of other important exams and assessments. <p>We are currently seeking contributors towards a revision pack for post-16 Business students on the topic of recruitment.</p> <p>Authors of materials that meet our high standards are paid a standard fee of £50 per 500 words published. All work will be undertaken remotely and therefore this might appeal to people wanting to earn a little extra money.</p> </div> <p><i>I think you should go for it!</i></p> <p><i>Cheers</i></p> <p><i>James</i></p>	

Unit 04 Management of people and operations for business and enterprise (J/508/4499) (cont'd)

Internal assessment tasks (cont'd)**Task 3 (LO 3)**

You decided to contact StudentSupport and have been accepted to work for them as a contributor.

They've asked you to produce a pack to cover the following:

- vacancy identification
 - job descriptions
 - person specifications
 - writing advertisements
 - recruitment methods
 - application methods
 - selection methods.
-

Types of evidence:

The pack you produce may contain:

- reports
 - presentations.
-

Unit 04 Management of people and operations for business and enterprise (J/508/4499) (cont'd)

If you're aiming for a Merit or Distinction it's particularly important that you're familiar with what these grades require, as you work through the tasks.

Grading descriptors	Grading examples
<p>Pass: Describes issues of current practice.</p>	<p>Learners will describe the stages in the recruitment process, which may include:</p> <ul style="list-style-type: none"> • how to implement the different stages in the recruitment process, including identifying a vacancy • writing a job description and person specification leading to the writing of the advert • the different methods of recruitment and selection of candidates, as well as the methods of applying and the types of interview questions that might be asked. <p>eg the learner may describe the method a business/enterprise chooses to recruit for a vacancy with little or no contextualisation. Some of the language used may be of a general nature rather than specialist business/enterprise language. When business terms are used it may be inconsistently and not in context.</p>

Unit 04 Management of people and operations for business and enterprise (J/508/4499) (cont'd)

Grading descriptors	Grading examples
<p>Merit: Describes issues of current practice, <u>using</u> appropriate <u>specialist language</u> in context.</p>	<p>Learners will describe the stages in the recruitment process, consistently using appropriate business/enterprise terminology, which may include:</p> <ul style="list-style-type: none"> • how to implement the different stages in the recruitment process, including identifying a vacancy • writing a job description and person specification leading to the writing of the advert • the different methods of recruitment and selection of candidates, as well as the methods of applying and the types of interview questions that might be asked. <p>Descriptions will be in context where fitting.</p> <p>eg the learner may describe the method a business/enterprise chooses to recruit for a vacancy consistently using appropriate business/enterprise terminology, supporting some of their answer with contextualised examples. Examples might include situations in which a business/enterprise may choose to recruit internally rather than externally.</p>

Unit 04 Management of people and operations for business and enterprise (J/508/4499) (cont'd)

Grading descriptors	Grading examples
<p>Distinction: Describes issues of current practice, <u>correctly applying specialist language</u> in context</p>	<p>Learners will describe the stages in the recruitment process, consistently and correctly using business/enterprise terminology in context, which may include:</p> <ul style="list-style-type: none"> • how to implement the different stages in the recruitment process, including identifying a vacancy • writing a job description and person specification leading to the writing of the advert • the different methods of recruitment and selection of candidates, as well as the methods of applying and the types of interview questions that might be asked. <p>eg the learner may describe the different methods a business/enterprise chooses to recruit for a vacancy consistently and correctly using appropriate business/enterprise terminology, supporting their answer with fully contextualised examples. In this case examples will include at least one situation about when and why each method of recruitment would be considered suitable.</p>

Unit 05 Finance for business and enterprise (F/508/4498)**Internal assessment tasks****Task 1-2 (Learning Outcome 1) – Approx 10 hours**

NCFE Consultancy is a business services agency based in York. Their clients include potential entrepreneurs who wish to start up their own business. NCFE Consultancy provides information and advice to help entrepreneurs do this. You are employed as a Business Advisor by the consultancy.

Amanda Welch is planning to start her own business later in the year, selling frozen yoghurts. She intends to name the business 'Amanda's Frozbar'. She has contacted NCFE Consultancy for financial advice.

Amanda will need to raise external finances to start her business.

You've been asked to produce two reports to support Amanda with her business, on:

- financing a small business
- understanding break-even charts.

Read and complete the tasks below.

Task 1 (LO 1)

Create a report called 'Financing a Small Business'.

This will include detailed information on:

- sources of internal and external finance available to sole traders, partnerships and private limited companies
 - the importance of managing a cash flow
 - how to deal with cash-flow problems
 - assets, liabilities and capital
 - the importance of financial record-keeping
 - the financial information needed by HMRC.
-

Unit 05 Finance for business and enterprise (F/508/4498) (cont'd)**Internal assessment tasks (cont'd)****Task 2 (LO 1)**

Create a second report called 'Understanding break-even'.

This will include detailed information on:

- what revenue is and how it is calculated
- start-up and running costs
- break-even charts and the contribution formula
- the advantages and disadvantages of break-even analysis.

In your report you need to calculate the break-even level of output of Amanda's Frozbar per month. You have the following financial data to help you undertake this.

- Selling price per unit: £3.99
 - Variable cost per unit: £1.50
 - Fixed costs: £550 per month.
-

Evidence may include:

- report
 - presentation.
-

Unit 05 Finance for business and enterprise (F/508/4498) (cont'd)

If you're aiming for a Merit or Distinction it's particularly important that you're familiar with what these grades require, as you work through the tasks.

Grading descriptors	Grading examples
<p>Pass: Uses technical terms consistently to explain knowledge, theories and concepts.</p>	<p>Learners will explain all of the following concepts using accepted business/enterprise terminology:</p> <ul style="list-style-type: none"> • sources of finance for a business/enterprise • revenue • start-up and running costs • break-even <p>Learners will also explain:</p> <ul style="list-style-type: none"> • assets • liabilities • capital • the concept of cash flow • the financial information required by HMRC. <p>Some areas may lack detail.</p> <p>eg a learner may provide a description of a cash-flow problem and an explanation of a solution, including an advantage and a disadvantage of the solution.</p>
<p>Merit: Uses technical terms consistently to explain <u>a wide range</u> of sophisticated knowledge, theories and concepts.</p>	<p>Learners will explain all of the following concepts, in detail, using accepted business/enterprise terminology:</p> <ul style="list-style-type: none"> • sources of finance for a business/enterprise • revenue • start-up and running costs • break-even <p>Learners will also explain:</p> <ul style="list-style-type: none"> • assets • liabilities • capital • the concept of cash flow • the financial information required by HMRC. <p>eg a learner may provide a description of a cash-flow problem, with a detailed discussion of a wide range of possible solutions with their advantages and disadvantages.</p>

Unit 05 Finance for business and enterprise (F/508/4498) (cont'd)

Grading descriptors	Grading examples
<p>Distinction: Uses technical terms consistently to explain and discuss <u>the interrelationships</u> in a wide range of complex and sophisticated knowledge, theories and concepts.</p>	<p>Learners will explain all of the following concepts in detail, consistently using accepted business/enterprise terminology:</p> <ul style="list-style-type: none"> • sources of finance for a business/enterprise • revenue • start-up and running costs • break-even <p>Learners will also explain:</p> <ul style="list-style-type: none"> • assets • liabilities • capital • the concept of cash flow • the financial information required by HMRC. <p>Learners will also discuss the possible interrelationships between the various elements. Eg a learner may provide a description of a cash-flow problem, with a detailed discussion of a wide range of possible solutions. Both the possible positive and negative impact of these solutions on cash flow and other financial aspects of the business will be discussed.</p>

Unit 05 Finance for business and enterprise (F/508/4498) (cont'd)**Internal assessment tasks (cont'd)****Tasks 3-10 (Learning Outcome 2) – Approx 4 hours**

Amanda now needs help in producing financial documents and forecasts to support her business venture.

In order to see how much knowledge she has in this area, you have created a set of exercises to test her knowledge and skills. Before you ask Amanda to complete the exercises you've set, you decide to sit the exercises yourself so that you have a set of model answers.

Task 3 (LO 2) Income statement

Using the table below, prepare a projected income statement for the year 2018.

Sales revenue	£125,000
Cost of goods sold	£45,000
Overheads	£15,000
Expenses	£5,000

Task 4 (LO 2) Income statement

Using the table below, calculate the gross profit margin and net profit margin.

Sales	£250,000
Gross profits	£125,000
Net profits	£50,000

Unit 05 Finance for business and enterprise (F/508/4498) (cont'd)**Internal assessment tasks (cont'd)****Task 5 (LO 2) Statement of financial position**

Using the table below, prepare a statement of financial position for 31st December 2018.

Non-current (fixed) assets	£30000
Cash	£750
Trade and other receivables (debtors)	£6900
Inventory	£4750
Overdraft	£500
Trade and other payables (creditors)	£5000
Loans	£5000
Share capital	£31000
Retained profit and reserves	£900

Task 6 (LO 2) Ratios

A business has:

- an operating profit of £0.25m
- long-term liabilities of £1.25m
- a capital employed figure of £2.5m.

Using the information above, calculate the:

- a) gearing ratio
- b) return on capital employed (ROCE).

Task 7 (LO 2) Ratios

Using the table below, calculate:

- c) the current ratio
- d) the acid test ratio.

Cash	£750
Trade and other receivables (debtors)	£6900
Inventory	£4750
Overdraft	£500
Trade and other payables (creditors)	£5000

Unit 05 Finance for business and enterprise (F/508/4498) (cont'd)**Internal assessment tasks (cont'd)****Task 8 (LO 2) Cash-flow forecast**

Using the table below, construct a cash-flow forecast for the 3 months of January to March 2018.

Tax payment in February	£30000
Dividend payment to shareholders in March	£4000
Forecasted financial data for 2018	
Cash sales per month	£31500
Monthly variable costs	£17500
Closing cash balance at year-end 2017	£5000
Monthly overheads	£2500

Task 9 (LO 2) Break-even

Using the table below, calculate:

- the monthly break-even level of output (using the contribution method)
- the level of profit/loss if 8000 units are sold per month.

Using the table below, and assuming that the business makes and sells 3500 units:

- draw a fully labelled break-even chart. For the horizontal axis – start at zero and go up in units of 500 up to 3500. For the vertical axis – start at 0 and go up in units of £5,000 with an upper value of £35000.

Unit sales per month	3500
Price per unit	£9
Variable cost per unit	£5
Monthly fixed costs	£2500

Unit 05 Finance for business and enterprise (F/508/4498) (cont'd)**Internal assessment tasks (cont'd)****Task 10 (LO 2)**

- a) Using the information from Task 9, discuss the potential impact of the following on both cash flow and break-even predictions:
- a 20% increase in variable costs **and**
 - price competition in the industry that forces the selling price down from £9 to £8.
- b) How would these changes inform the future development of the business?
-

Evidence may include:

- a report
 - presentation
 - a chart or graph
 - a spreadsheet.
-

Unit 05 Finance for business and enterprise (F/508/4498) (cont'd)

If you're aiming for a Merit or Distinction it's particularly important that you're familiar with what these grades require, as you work through the tasks.

Grading descriptors	Grading examples
<p>Pass: Makes <u>reasoned conclusions</u> based on appropriate information.</p>	<p>Learners will make reasoned conclusions after drawing up and calculating any relevant ratios:</p> <ul style="list-style-type: none"> • projected income statements • statements of financial position • cash-flow forecasts • break-even charts. <p>eg the learner may illustrate, with examples, how a business/enterprise may choose to set a sales target for a year having calculated the break-even level of output and levels of profit at different levels of output.</p>
<p>Merit: Makes <u>reasoned and balanced conclusions</u> based on appropriate information ie weighs up pros and cons and then makes a decision and explains why.</p>	<p>Learners will make reasoned and balanced conclusions after drawing up and calculating any relevant ratios:</p> <ul style="list-style-type: none"> • projected income statements • statements of financial position • cash-flow forecasts • break-even charts. <p>eg the learner may illustrate, with examples, how a business/enterprise may choose to set a sales target for a year, having calculated the level of output and levels of profit at different levels of output. The illustration will include the relative importance of both the pros and cons behind the reasoning in making the decision.</p>

Unit 05 Finance for business and enterprise (F/508/4498) (cont'd)

Grading descriptors	Grading examples
<p>Distinction: Makes <u>well-reasoned and balanced conclusions</u> which inform future developments.</p>	<p>Learners will make well-reasoned and balanced conclusions. These will be based on appropriate information after drawing up and calculating any relevant ratios. The conclusions will inform future development:</p> <ul style="list-style-type: none"> • projected income statements • statements of financial position • cash-flow forecasts • break-even charts. <p>eg the learner may illustrate, with examples, how a business/enterprise may choose to set a sales target for a year having calculated the level of output and levels of profit at different levels of output. The illustration will include the relative importance of both the pros and cons behind the reasoning in making the decision and the possible impact on any future developments.</p>

Unit 05 Finance for business and enterprise (F/508/4498) (cont'd)**Internal assessment tasks (cont'd)****Task 11 (Learning Outcome 3) Approx 5 hours**

Amanda has read an article in a business magazine called 'Entrepreneur Weekly' that suggests that many new entrepreneurs struggle to deal with the impacts of internal and external influences on their business.

An extract from the article is below. Read the article and then complete the tasks that follow.

Entrepreneur Weekly

Jamie's Juice Bar

Jamie's business ran successfully for 5 years but from 2015 sales fell due to changes the business had no control over:

- **Freshly made juice drinks had always been seen as the healthy alternative to sugar-laden drinks such as cola and soda. However, there was increased coverage in the press and on TV of the need to adopt healthier lifestyles and to be aware of sugar in all its forms.**
- **Some reports suggested that increasing research and opinion from the experts demonstrated that fruit juices were the new 'bad guys'. Just because a drink is labelled '100% pure fruit with no added sugars', does not mean that it is sugar free, or in fact that it's much better than a fizzy drink. Natural fruit sugar, known as fructose, is proving to be just as bad for us as sugar cane. Many popular fruit juices actually have the equivalent of several teaspoons of fructose in a single 200ml glass.**

As a result sales fell in Jamie's Juice bar.

The 2015 budget also had a shock for the juice bar. One of George Osborne's big surprises in his budget was something called the National Living Wage.

This was set at £7.20 and rose to £9 an hour by 2020, replacing the £6.50 minimum wage.

Jamie employs 5 staff; all were on the National Minimum Wage. He now faces quite significant wage increases.

Unit 05 Finance for business and enterprise (F/508/4498) (cont'd)

Internal assessment tasks (cont'd)

Task 11 (LO 3)

Create a report that explains in detail, the impact that internal and external influences can have on Amanda's business.

Separate this report into 2 sections:

- internal
 - external.
-

Evidence must include:

- a report.
-

Unit 05 Finance for business and enterprise (F/508/4498) (cont'd)

If you're aiming for a Merit or Distinction it's particularly important that you're familiar with what these grades require, as you work through the tasks.

Grading descriptors	Grading examples
<p>Pass: Uses technical terms consistently to explain knowledge, theories and concepts.</p>	<p>Learners will explain using accepted business/enterprise terminology:</p> <ul style="list-style-type: none"> • both the internal and external influences on a business/enterprise • their possible impact. <p>Some areas may lack detail.</p> <p>eg a learner may provide a simple explanation of internal influences illustrating the answer with one or two examples.</p>
<p>Merit: Uses technical terms consistently to explain <u>a wide range</u> of sophisticated knowledge, theories and concepts.</p>	<p>Learners will explain in detail, using accepted business/enterprise terminology:</p> <ul style="list-style-type: none"> • both the internal and external influences on a business/enterprise • their possible impact. <p>eg a learner may provide a detailed explanation of a wide range of internal influences.</p>
<p>Distinction: Uses technical terms consistently to explain and discuss <u>the interrelationships</u> in a wide range of complex and sophisticated knowledge, theories and concepts.</p>	<p>Learners will explain all areas in detail consistently using accepted business/enterprise terminology:</p> <ul style="list-style-type: none"> • both the internal and external influences on a business/enterprise • their possible impact. <p>Learners will also discuss the possible interrelationships between the various elements. eg the learner may explain, in detail, the concepts of internal and external influences and go on to discuss the interrelationship between the financial position of a business/enterprise and its ability to compete in a highly competitive labour market.</p>

Unit 06 Produce a business plan for a business/enterprise (M/508/4500)**Internal assessment tasks****Task 1 (Learning Outcome 1) – Approx 30 hours****Task 1 (LO 1)**

- a) Select an idea for a business/enterprise ie the product/service you would like to sell, giving reason(s) for your choices.
- b) Prepare a business plan for your business/enterprise. The business plan should be presented in a coherent and well-structured format.

Your business plan must include the following sections:

1. Company description, to include:

- name (you must consider any legal issues relating to the choice of name and provide evidence of this)
- aims and objectives (short term, long term, financial, non-financial)
- product/service to be sold
- the needs the business/enterprise intends to satisfy
- company legal status
- company location/distribution channels

2. Research and analysis

You must use primary and secondary research to collect and analyse data on the following to support completion of your business plan:

- target market
- industry profile
- competitor profile
- potential suppliers

Unit 06 Produce a business plan for a business/enterprise (M/508/4500) (cont'd)**Internal assessment tasks (cont'd)****3. Marketing plan**

You must use your market analysis and other relevant research and data analysis to produce a marketing plan, to include:

- product/service
 - what it does, how it satisfies customer need
 - whether it is tangible/intangible
 - its Unique Selling Point (USP)
- place
 - where the product/service will be sold
 - the distribution channel to be used
- price
 - what price will be charged for the product/service
 - which pricing strategy/strategies will be used
- promotion
 - how the product/service will be promoted

4. People and operations plan

You must produce a people and operations plan:

- operations plan, eg:
 - methods your business will use to achieve efficiency and quality
 - how you will manage storage space, logistics, decide on the skills and number of staff required
- people plan, eg:
 - type of leadership/management style to adopt
 - methods of motivation you will employ
 - what organisational structure you will adopt
 - the types of employment (eg part time, full time etc) you will offer your staff
 - methods of remuneration (eg wages, bonuses etc) you will use
 - stages in the recruitment process you will go through eg creating job descriptions, person spec, job advert

Unit 06 Produce a business plan for a business/enterprise (M/508/4500) (cont'd)**5. Financial plan (for either the first year of operation or the life of the business if less than 1 year) to include:**

- research and collection of data on the start-up and running costs for launching the business/enterprise
 - identification of break-even and margin of safety through calculation and drawing a fully labelled chart
 - identification of target level of sales
 - analysis of potential impacts changes in costs and prices may have on the level of output and targeted profit
 - a cash-flow forecast
 - a projected income statement (profit and loss account)
 - a projected statement of financial position (balance sheet)
-

Evidence must include:

- a business plan
 - evidence of primary and secondary research; analysis of collected data
-

Unit 06 Produce a business plan for a business/enterprise (M/508/4500) (cont'd)

If you're aiming for a Merit or Distinction it's particularly important that you're familiar with what these grades require, as you work through the tasks.

Grading descriptors	Grading examples
<p>Pass: Completes a series of complex task(s) with <u>some degree</u> of accuracy following a complex brief.</p> <p><u>Recognise</u> the value of research from <u>at least 2</u> types of sources and uses relevant information to inform actions.</p>	<p>Learners will select a business/enterprise idea and complete the sections of the business plan with some degree of accuracy, based on the collection and analysis of relevant primary and secondary data.</p> <p>Some sections may lack detail, and there may be some inaccuracies in the calculations.</p> <p>eg inaccuracies in calculations such as incorrectly calculating the variable costs which will make the whole calculation incorrect.</p>
<p>Merit: Completes a series of complex tasks <u>mostly accurately</u> following a complex brief.</p> <p><u>Differentiates</u> the value of research from <u>at least 2</u> types of sources and uses relevant information to inform actions.</p>	<p>Learners will select a business/enterprise idea and complete all sections of the business plan in detail based on the collection and analysis of data from relevant primary and secondary data.</p> <p>There may be some minor inaccuracies in the calculations.</p> <p>eg minor inaccuracies might be one simple arithmetic error which still has a significant impact, such as incorrectly adding outgoings in a cash-flow forecast or arriving at an incorrect margin of safety through an error of subtraction. Generally speaking, the rest of the calculations will be accurate.</p>
<p>Distinction: Completes a series of complex tasks <u>accurately</u> and meets <u>all of the requirements</u> of a complex brief.</p> <p><u>Differentiates</u> the value of research from a <u>wide range of different types of</u> sources and uses relevant information to inform actions.</p>	<p>Learners will select a business/enterprise idea and complete all sections of the business plan in detail based on the collection and in-depth analysis of primary and secondary data from a wide range of relevant, reliable research.</p> <p>The calculations will be accurate.</p>

Unit 07 Evaluate a business plan for a business/enterprise (T/508/4501)**Internal assessment tasks****Task 1 (Learning Outcome 1) – Approx 10 hours****Task 1 (LO 1)**

You should now have completed the business plan for your chosen business/enterprise.

You must now review your plan and evaluate it.

Include in your evaluation the following points:

- **Evaluate the presentation of your business plan**
 - is it clear and neat?
 - what is the quality of the language used?
 - have you used business terms throughout and appropriately?
 - how well laid-out is your plan?
 - are all the required components present?
 - how could the standard of the presentation be improved?
- **Evaluate your market research**
 - did you use a suitable range of primary and secondary resources?
 - what were the strengths of your research?
 - what were the weaknesses of your research?
- **Evaluate your use of business theories and techniques**
 - what business theories and techniques did you use?
 - to what were these applied?
 - how well did you apply them?
 - how could you improve their application?
 - are there any other theories and/or techniques that you should have used?
- **Evaluate the feasibility of your business/enterprise**
 - is there a sufficient demand for your product/service?
 - is the business/enterprise scalable?
 - how long can your business last?
 - is it likely to be financially viable?
 - will you find it hard to deal with competitors?
 - what are your own strengths and weaknesses as an entrepreneur?

Evidence must include:

- a report.
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Unit 07 Evaluate a business plan for a business/enterprise (T/508/4501) (cont'd)

If you're aiming for a Merit or Distinction it's particularly important that you're familiar with what these grades require, as you work through the tasks.

Grading descriptors	Grading examples
<p>Pass: Describes the effectiveness of the processes and practices and <u>links these to success or otherwise of the overall outcome</u>.</p> <p>Makes reasoned conclusions based on appropriate information.</p>	<p>Learners will describe:</p> <ul style="list-style-type: none"> • how effectively their business plan is presented • the strengths and weaknesses of their market research methodology • the application of theories and techniques and how these will contribute to the success of the idea. <p>Learners will make reasoned conclusions on the feasibility of their idea based on information in the business plan.</p> <p>eg a learner may make reasoned conclusions on the effectiveness of their primary research with reference to its appropriateness for their chosen product/service.</p>
<p>Merit: Describes the effectiveness of the processes and practices and <u>justifies their use</u>.</p> <p>Makes reasoned <u>and balanced</u> conclusions based on the information.</p>	<p>Learners will describe:</p> <ul style="list-style-type: none"> • how effectively their business plan is presented • the strengths and weaknesses of their market research methodology • the application of theories and techniques and how these will contribute to the success of the idea. <p>Learners will make reasoned and balanced conclusions on the feasibility of their idea based on information in the business plan.</p> <p>eg a learner may describe the effectiveness of their primary research with reference to its appropriateness for their chosen product/service. The relative importance of advantages and disadvantages may be discussed and a reasoned and balanced conclusion made as to its effectiveness.</p>

Unit 07 Evaluate a business plan for a business/enterprise (T/508/4501) (cont'd)

Grading descriptors	Grading examples
<p>Distinction: Describes the effectiveness of the processes and practices, <u>justifies their use and suggests improvements.</u></p> <p>Makes <u>well-reasoned</u> and balanced conclusions <u>which inform future developments.</u></p>	<p>Learners will describe the following points, including why they have been used and suggesting improvements:</p> <ul style="list-style-type: none"> • how effectively their business plan is presented • the strengths and weaknesses of their market research methodology • the application of theories and techniques and how these will contribute to the success of the idea. <p>Learners will make well-reasoned and balanced conclusions on the feasibility of their idea to inform future developments.</p> <p>eg a learner may describe the effectiveness of their primary research with reference to its appropriateness for their chosen product/service. The relative importance of advantages and disadvantages may be discussed and a conclusion made as to its effectiveness and suggestions made for improvements for the future.</p>

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