



BTEC Enterprise



Curriculum Overview Key Stage 4

KEY STAGE 4		
Examination Specification: BTEC Enterprise Pearson		
	Topic	Key Themes
YEAR 10	Component 1A Examine the characteristics of enterprises	<p>A1 What is an enterprise? Enterprises carry out one or more activities, such as being involved with goods, services or both</p> <p>A2 Types and characteristics of SMEs including, Micro, small and medium business</p> <p>A3 The purpose of enterprises – Aims and objectives including Profit, social, environmental, growth, sales maximisation. How businesses respond to social and political pressures.</p> <p>A4 Entrepreneurs: Reasons for starting own enterprise, Characteristics of entrepreneurs and the skills for success:</p>
	Component 1B Explore how market research helps enterprises to meet customer needs and understand competitor behaviour	<p>B1 Customer needs. The ways in which different products can be linked to different kinds of customers according to age, gender, income, lifestyle and location</p> <p>B2 Using market research to understand customers (USP). Primary, secondary research. Difference between qualitative and quantitative</p>

		<p>B3 Understanding competitors</p> <p>The main features which make products competitive:</p> <ul style="list-style-type: none"> - price o quality o availability - unique features and selling points (USP) - identifying competitors - how products stand out from similar products in the market
	<p>Component 1C</p> <p>Investigate the factors that contribute to the success of an enterprise</p>	<p>C1 Internal factors</p> <p>Factors within the control of the enterprise that can impact positively or negatively on costs, to include:</p> <ul style="list-style-type: none"> - understanding the market – who the competition is, what customers want - keeping customers satisfied – the ability to meet customer needs better than its competitors on quality, price, features, customer service, availability, convenience - effective planning and financing - marketing and promoting the enterprise o unforeseen human resources costs, e.g. staff illness <p>C2 External factors in the economy.</p> <p>Exploring the impact of changing costs in resources on a business and the positive or negative impact on revenue due to competitors and or consumer behaviour trends</p> <p>C3 Situational analysis</p> <p>SWOT (Strengths, Weaknesses, Opportunities and Threats) analysis – draws together everything that could affect the success of an enterprise, including competitive advantage and disadvantage, usually presented in the form of a table with bulleted points</p> <p>PEST (Political, Economic, Social and Technological) analysis – identifies all political, economic, social and technological factors that might affect an enterprise, usually presented in the form of a table with bulleted points.</p> <p>C4 Measuring the success of an SME</p> <p>Reasons for the success of SMEs:</p> <ul style="list-style-type: none"> - skills, hard work, determination, resilience and the ability of the entrepreneur - ability to develop/motivate/train employees - level of customer service/satisfaction and the ability to meet customer needs o years of experience operating in this or similar markets <p>Methods of measuring success, e.g.:</p> <ul style="list-style-type: none"> - surviving - making a living - sales volume/value - market share

		<ul style="list-style-type: none"> - profit - customer satisfaction/reputation.
	<p>Component 2A Plan a micro-enterprise activity</p>	<p>A1 Generating ideas for a micro-enterprise activity Ideas could involve:</p> <ul style="list-style-type: none"> - innovation of products/services - provision of products/services in new contexts - provision of products/services to new markets. <p>Factors to be considered when selecting final idea, e.g.:</p> <ul style="list-style-type: none"> - resources available - financial forecasts - costing and pricing - methods of communication and promotion - potential customers <p>A skills audit by learners, to consider:</p> <ul style="list-style-type: none"> - leadership, personal and communication skills required - technical and practical skills required <p>A2 Plan for a micro-enterprise activity Aims of the micro-enterprise:</p> <ul style="list-style-type: none"> - financial aims, e.g. to make a profit, to break-even - non-financial aims, e.g. customer satisfaction, social aims such as meeting a need in the community. <p>Product or service to be sold, including:</p> <ul style="list-style-type: none"> - features, benefits and unique selling points - selling price - cost of competitors <p>Identifying the target market:</p> <ul style="list-style-type: none"> - market segment - appeal to target market - how product or service will reach market, e.g. selling direct, online or both - establishing and sustaining sales to the target customers. <p>Methods of communication with the customer:</p> <ul style="list-style-type: none"> - selection of methods, e.g. advertising, use of social media - cost effectiveness <p>The resources required and a risk assessment</p>
	<p>Component 2B Pitch a micro-enterprise activity</p>	<p>B1 Pitching a micro-enterprise activity Pitching - presenting key elements of a business plan logically</p> <p>B2 Presenting a business pitch Presentation skills:</p> <ul style="list-style-type: none"> - professional behaviour and conduct of presenter - positive attitude - well-rehearsed and prepared - considerate of the needs and interests of the audience

		<ul style="list-style-type: none"> - use of visual aids, e.g. computer, projection/slideshow with speaker notes, handouts for audience, clarity and legibility of text, impact of graphics and images. <p>Communication skills:</p> <ul style="list-style-type: none"> - body language, gestures and eye contact - language and tone, pace, volume and projection - use of business terminology - listening, handling questions and formulating appropriate responses
	Component 2C Review own pitch for a micro-enterprise activity	<p>C1 Using feedback and review to identify possible changes to the pitch</p> <p>Receive feedback from audience on:</p> <ul style="list-style-type: none"> - the business content of the pitch - the presentation and communication skills demonstrated <p>Reviewing plan and personal performance, reflecting on feedback gathered from others:</p> <ul style="list-style-type: none"> - what went well, e.g. clear synopsis of plan, demonstration of skills - what went less well or did not go to plan, e.g. not clearly explaining plan, lack of presentation and communication skills <p>Recommending improvements:</p> <ul style="list-style-type: none"> - to the contents of the plan - to own performance
	Topic	Key Themes
YEAR 11	Component 3A Promotion	<p>A1 Elements of the promotional mix and their purposes Marketing and advertisement to inform and entice customers</p> <p>A2 Targeting and segmenting the market Segmenting the market to identify which customers its promotions will target through:</p> <ul style="list-style-type: none"> - demographics: age, race, religion, gender, family size, ethnicity, income, education level, socio-economic group - geographic – location - psychographic: social class, attitudes, lifestyle and personality characteristics - behavioural: spending, consumption, usage, loyalty status and desired benefits. <p>A3 Factors influencing the choice of promotional methods Size of enterprise. Budgetary constraints. Appropriateness for product/service. Target market.</p>

	<p>Component 3B Financial records</p>	<p>B1 Financial documents Types: invoices, delivery notes, purchase orders, credit notes, receipts, statement of account. Importance to a business of accuracy when these documents are being used.</p> <p>B2 Payment methods Payment methods: cash, credit cards, debit cards, direct debit, payment technologies. Impact on customers and enterprises of using different methods.</p> <p>B3 Sources of revenue and costs Income from sales and from assets. Start-up costs and running costs.</p> <p>B4 Terminology in financial statements Turnover (net sales) and cost of sales (cost of goods sold). Gross profit, expenses, net profit, retained profit. Fixed assets and current assets. Current liabilities and long-term liabilities. Debtors and creditors. Net current assets. Capital.</p> <p>B5 Statement of comprehensive income Statement of comprehensive income shows the profit or loss of an enterprise over time. Calculate profit/loss using a simple statement of comprehensive income.</p> <p>B6 Statement of financial position Statement of financial position shows the financial performance of an enterprise at a point in time. Categorise total assets and liabilities using a statement of financial position</p> <p>B7 Profitability and liquidity The difference between cash and profit. The difference between liquidity and profitability. Calculate profitability ratios from given formulae: o gross profit margin percentage (GPM): $(\text{gross profit}/\text{revenue}) \times 100$ o net profit margin percentage (NPM): $(\text{net profit}/\text{revenue}) \times 100$. Calculate liquidity ratios from given formulae: <ul style="list-style-type: none"> - current ratio: $\text{current assets}/\text{current liabilities}$ - liquid capital ratio: $(\text{current assets} - \text{inventory})/\text{current liabilities}$. </p>
	<p>Component 3C Financial planning and forecasting</p>	<p>C1 Using cash flow data Cash – liquid assets of the business; bank balance plus cash in the business.</p>

		<p>Cash flow – difference between the cash flowing into the business (inflows) and the cash flowing out of the business (outflows), positive and negative liquidity. Difference between sales and purchases. Cash flow statement: the cash inflows and the cash outflows over the past 12 months. Cash flow forecast: outlines the forecasted future cash inflows (from sales) and the outflows (such as raw materials, wages) per month over a period of time.</p> <p>C2 Financial forecasting Purpose of a cash flow forecast: o to identify money coming in (inflows) and going out (outflows) of the enterprise over time o to determine net current asset requirements and make business decisions. Inflows: sales, capital introduced, loans. Outflows: purchases, running costs.</p> <p>C3 Suggesting improvements to cash flow problems Analysis of cash flow information – considering changes in inflows and outflows over a period and how this affects the enterprise, considering differences between predicted and actual cash flow. Cash flow problems – not having enough cash to pay employees and suppliers. Impact of timings of inflows and outflows, and suggested solutions to problems:</p> <ul style="list-style-type: none"> - increasing revenue - selling off unused assets - selling off inventory - chasing debtors for monies owed - cutting costs - delaying payment to suppliers - reducing credit period offered to customers - cutting back or delaying expansion plans. <p>C4 Break-even analysis and break-even point Learners will construct and interpret a break-even chart and recognise its limitations. Costs: variable costs, fixed costs, total costs. Sales: total revenue. Margin of safety. $\text{Break-even} = \frac{\text{fixed costs}}{(\text{selling price per unit} - \text{variable cost per unit})}$. Break-even point. The value and importance of break-even analysis to enterprises when planning. Limitations of break-even analysis.</p> <p>C5 Sources of business finance Sources of finance:</p>
--	--	---

		<ul style="list-style-type: none"> - owner funds - retained profits - loans - credit cards - government grants - hire purchase and leasing - trade credit o venture capital - peer-to-peer lending. <p>Advantages and disadvantages of each source.</p>
--	--	---

Extracurricular and Enrichment opportunities

- Talks with business owners in the local community
- Opportunities to explore several local and national businesses through research
- Students field work to meet local business owners
- Assignment lunch time support

