Saint Benedict
Catholic Voluntary Academy

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BE PREPARED

Applied Business

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BTEC National Extended Certificate in Business
Be Prepared Booklet

Unit 1: Exploring Business
Learning Aim A
Estimated completion time: 2–2.5 hours

Welcome
This booklet is designed to prepare you for the start of the BTEC National Business course. It introduces the key concepts from Unit 1 Learning Aim A. By completing the activities you will develop research, analytical and communication skills that are essential for success on the course.

Section 1: Features of Businesses (A1)

Business Ownership
Businesses can be privately owned, publicly owned or not-for-profit. Common private ownership types include sole traders, partnerships, private limited companies (Ltd) and public limited companies (PLC). Ownership affects decision-making, finance and liability.

Example: Greggs is a PLC, allowing it to raise finance through shareholders while limiting owners' liability.

Business Purpose
Some organisations exist to make profit while others aim to provide services or support communities. Charities reinvest surplus income into achieving their aims rather than rewarding owners.

Business Sectors
Businesses operate in the primary, secondary, tertiary or quaternary sector. Understanding where a business operates helps explain how it creates value.

Business Scope and Size
Businesses may operate locally, nationally or internationally. They may also be micro, small, medium or large depending on employee numbers.

Reasons for Success

Successful businesses often have a clear vision, strong leadership, excellent customer service, innovation, good financial management and effective marketing.

Structured Independent Research

Choose TWO contrasting businesses (for example Greggs and Cancer Research UK).

For each business research:

- Ownership
- Purpose
- Sector
- Size
- Scope (local, national or international)
- Products/services
- Three reasons for success

Finally write a 200-word comparison explaining why the businesses are different.

Knowledge Check

1. Define limited liability.
2. What is the difference between a private and public sector organisation?
3. Which sector does a manufacturer operate in?
4. State two reasons why businesses become successful.
5. Explain one advantage of operating internationally.

My Notes

Section 2: Stakeholders (A2)

Who are stakeholders?

Stakeholders are individuals or groups that have an interest in a business. Internal stakeholders include employees, managers and owners. External stakeholders include customers, suppliers, lenders, government and local communities.

Stakeholder Influence

Different stakeholders have different objectives which may conflict. Businesses must balance these interests to remain successful.

Corporate Social Responsibility

Many businesses invest in CSR activities to improve their reputation and strengthen relationships with customers and communities.

Example: Starbucks invests in ethical sourcing and community initiatives.

Structured Independent Research

Choose ONE business.

Create a stakeholder table including:
- Stakeholder
- What they want
- How they influence the business
- Why they are important

Finish by explaining which stakeholder is most important and justify your answer in approximately 150 words.

Knowledge Check

6. Define stakeholder.
7. Name three internal stakeholders.
8. Explain one conflict between employees and shareholders.
9. Why are customers important?
10. How can good CSR improve success?

My Notes

Section 3: Effective Business Communication (A3)

Business Communication

Businesses communicate using written, verbal and digital methods. Effective communication helps improve efficiency, customer satisfaction and decision-making.

Written Communication

Examples include reports, emails and financial documents.

Oral and Digital Communication

Meetings, presentations, video conferencing and social media all allow businesses to communicate with different audiences.

Example: Nike uses social media to communicate with millions of customers worldwide.

Structured Independent Research

Research how one large business communicates.

Find examples of:
- Website communication
- Social media
- Customer emails
- Advertising

Write one paragraph evaluating which communication method is most effective.

Knowledge Check

11. Give two examples of written communication.
12. Why is communication important?
13. How does social media help businesses?
14. Explain why businesses use presentations.
15. Suggest one communication method for customers.

My Notes

Mini Case Study

A new independent coffee shop is opening in your town.

Explain:

- Which ownership type would you recommend?
- Who are the main stakeholders?
- Which business sector does it operate in?
- Suggest three communication methods it should use.
- Explain two reasons why it could become successful.

Reflection

List five new business terms you have learned.
Identify one topic you found difficult.
Write one question you would like to ask in your first lesson.

Glossary

- Stakeholder
- PLC
- Ltd
- Sole trader
- Partnership
- CSR
- Primary sector
- Secondary sector
- Tertiary sector
- Quaternary sector
- SME
- Profit
- Liability
- Innovation
- Communication