

# A Level Business @ S6F

We are really looking forward to welcoming all our new students in 2020.

We know that you have had a very strange end to your GCSE career so thought you might find the following tasks useful as you prepare for A-Level Business@S6F. Whether you have studied the subject before or this is a first for you we can't wait to see you flourish!

Take care and we will see you soon.

## Task One

Go to BBC IPlayer and watch Dragon's Den series 17 episode 13.

Focus on the pitch from the ergonomic underwear manufacturer for men. Put yourself in the position of a Dragon, state two reasons why you might be tempted to invest and two why you would be put off based on the pitch. Then make a decision, would you invest on balance or not. Give a decision and argue why you have made the right one.

I would be tempted to invest because....	I would be cautious of investing because.....
1	1
2	2

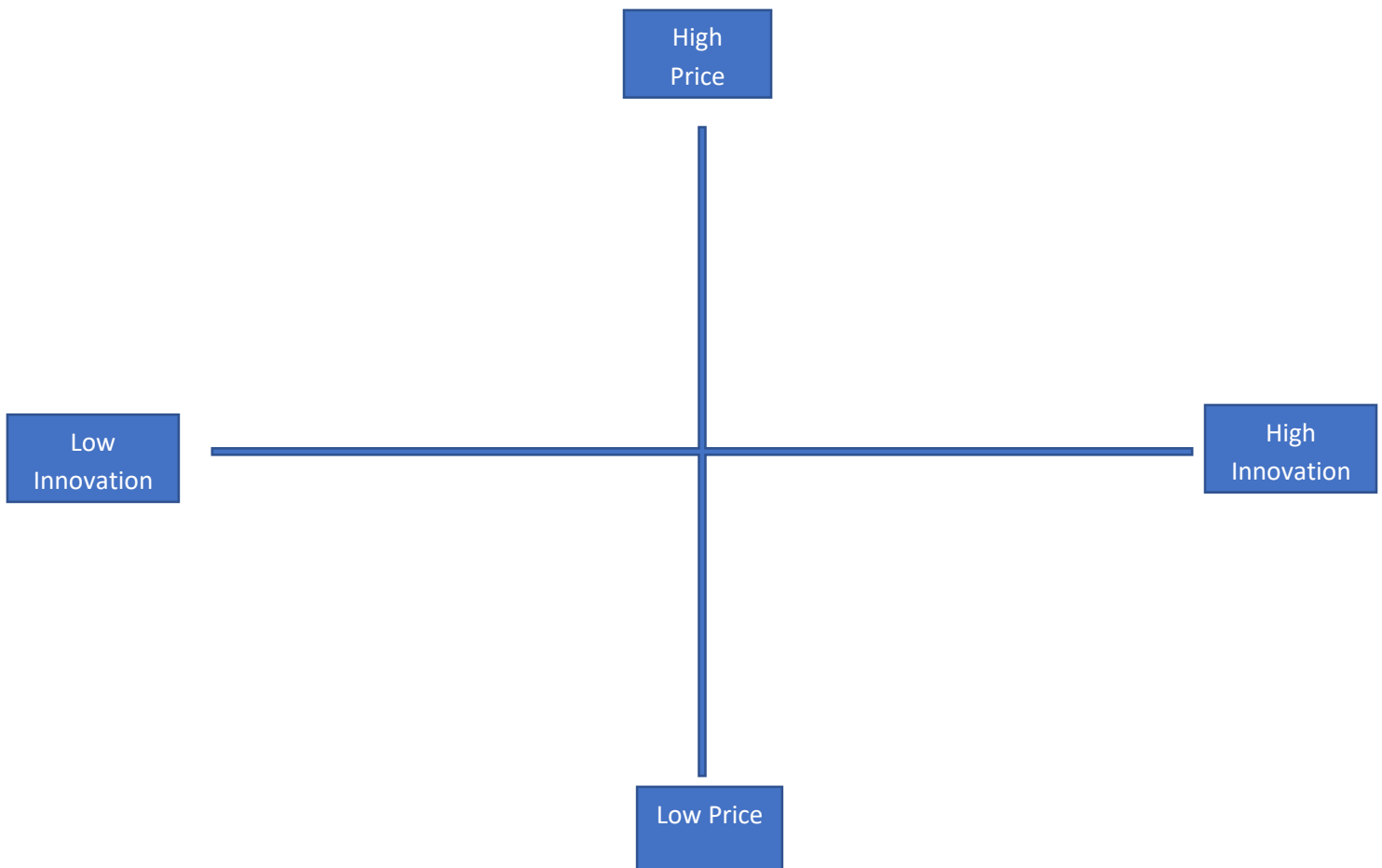
Overall I would/ would not invest because.....

Task Two

Brand mapping. Business create brands with different values on purpose. The aim to fulfil a gap in the market. If all brands had the same position on the map there would be intense competition and it would be difficult to make a profit. Have a look at the brand map for car manufacturers (source corporatefinancialinstitute.com), they have used the variables of price and quality. You may not agree with their assessment but you will notice that no business has filled the mapping spot of low price and high quality as the profit margin would be low.



Plot the following mobile phone brands on the map. The axis are price (high and low) and innovation (high and low). Innovation is of course the new features that different manufacturers (brands) offer as a result of their spending on research and development. For example if you think that Samsung is high priced and offers high innovation the brand would be plotted top right.



The brands to plot

Apple	Samsung	Google	Huawei	Sony	OPPO	Motorola
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Pick one of the brands that you have plotted/ Write a paragraph explaining why you have chosen the position you have in comparison to some of the other brands on the map with regard price and innovation.

**Task Three**

Businesses try to plan their finances by estimating what their income and expenditures are likely to be each month. This means they are less likely to be caught out by unexpected bills. Below is an example:

	1. June	2. July	Explanation/ calculations
Opening balance	-50,000	50,000	Closing balance of last month. Notice the closing balance in June is the opening balance in July
<b>Income</b>			Cash the business is receiving. Owners funds, bank loans and sales of assets are also possible income or inflows
Sales	500,000	525,000	The predicted value of sales each month
Grant	50,000		A grant given by the government for taking on new staff
Total income	550,000	525,000	The sales and grant added together
<b>Expenditure</b>			Cash the business is spending. Other outflows could be loan payments, utility bills (gas etc.), vehicle payments
Staff	190,000	220,000	The predicted amount to be spent on staff each month
Rent	60,000	60,000	The predicted amount to be spent on rent each month
Raw materials	200,000	225,000	The predicted amount to be spent on raw materials each month
Total expenditure	450,000	505,000	The expenditure items added together
Net cash flow	100,000	20,000	Total income minus total expenditure (550,000-450,000)
Balance carried forward	50,000	70,000	Opening balance plus the net cash flow. (In June because of the negative opening balance the closing balance is less than the net cash flow.

Your turn:

In normal circumstances predict what your income and expenses would be in the following months. Ideas for categories:

Income: wages, pocket money/ allowance, birthday money (if your birthday falls in that month).

Expenditure: Transport (bus fare), mobile phone contract, clothes, entertainment, food and drink

	May	June	July	Guidance
Balance brought forward				Cash in your bank at the start of the month
<b>Income</b>				
Total income				Add up what the cash you have coming in that month
<b>Expenditure</b>				
Total expenditure				Add up what you have spent that month
Net cash flow				Total income minus total expenditure
Balance carried forward				Opening balance plus net cash flow

Are there any months when you are spending more than you are earning???

**Task Four**

Businesses in the news research task. (you will need to research the answers, we don't expect you to know these!).

	<b>Question</b>	<b>Your answer</b>
1	Which were the two supermarkets who attempted to merge in 2019 but were blocked by the Competition and Markets Authority?	
2	Which Japanese car manufacturer announced in the last 12 months that they were set to close their Swindon plant in 2021?	
3	Which independent travel firm bought their failed rival Thomas Cook saving 555 jobs?	
4	The average graduate starting wage in the UK in 2019 was £23,131. Business graduates earned on average more than this, but what was the amount they could expect to earn?	
5	In March 2020 the Bank of England base rate (interest rate) was reduced to an historic low. What rate was it reduced to?	
6	Which Dragon's Den star bought the photographic chain Jessops in 2013 which saved the struggling business from almost certain closure.	
7	Sir Philip Green has been in the news over the last couple of years and not for good reasons. Which retail operation who own several high street brands is he Chairman of?	

**Task Five**

Numerous different theorists have argued over what motivates employees over the years, Maslow, Herzberg, Taylor, McGregor, Vroom to name a few. Each theorist has a slightly and sometimes totally different view as to what motivates people.

Below are a range of what some of the theorists would argue motivate employees. Your task is to put them in order one being the most effective way a business can motivate their staff and eight being the least. Once you have done that argue your point in the box below. At the moment there is no right or wrong answer, this is just your opinion.

Provide Training	Nice working conditions	Provide chances to socialise with other staff	Higher pay
Chance for promotion	Recognition when staff have done well	Provide bonuses to reward performance	Enable staff to feel they are making a positive difference

Which was your number one motivator? Write a paragraph and argue your case below.

Look up the following motivational theorists and see if any agree with you:

Maslow, Herzberg, Taylor, McGregor and Vroom.