

# BTEC Business



Stoke Newington School  
& Sixth Form

MEDIA ARTS & SCIENCE COLLEGE

## Summer Transition Task 2020

Name:

## Introduction to Business Studies

So.... you are thinking of studying BTEC Business?

This pack includes a programme of activities and resources to prepare you for BTEC Business Level 3. Don't worry if you have not studied Business Studies before, you will soon pick things up. There are 11 tasks in here that you have to complete over the summer (*watching the TV shows and films are optional!*)

You **must ensure** that you:

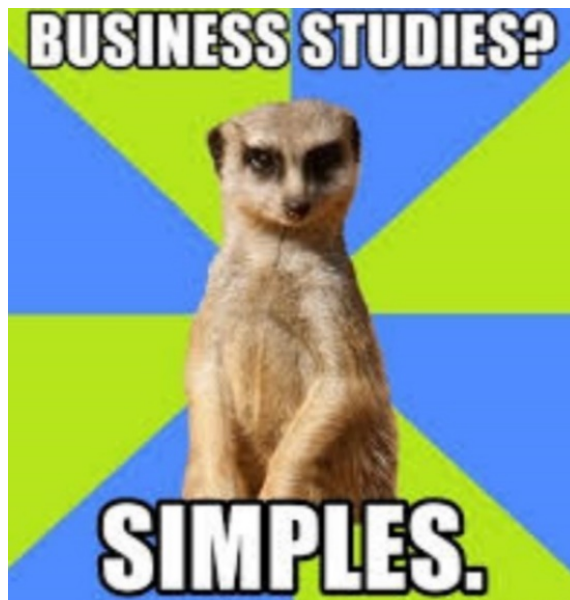
- Complete all of the activities in this guide
- Learn the equations in the equations list
- Bring your completed work to your first BTEC Business lesson

Enjoy and we look forward to welcoming you in September!

Stoke Newington School and Sixth Form – Business Studies Department.

Any questions? E-mail [Hus.Toz@sns.hackney.sch.uk](mailto:Hus.Toz@sns.hackney.sch.uk)

(Mr Tozanoglu – Head of Business Studies)



### Task 1: Products and Services in CONTEXT




**Products** are **physical things we can touch**, and **services** are **intangible things that we cannot touch**. For example, a product of Costa might be the food and drink they sell, but the service is the interaction between the customer and the staff, it is important for the staff to provide a high level of service to ensure the customers are satisfied.

In this task you are going to think about the products and services offered by each of the businesses. Write your ideas in the second column. Then in the third column you are going to think about impacts on poor product quality or services specific to that business. In business studies it is important to think about **context**, which means linking your ideas to things associated to that business. For example with Costa – context could be the types of food and drink they sell such as lattes and toasties, or naming competitors such as Starbucks. In Business studies we use an acronym called SCORE – see below.

## What's the SCORE?

<b>S</b>	Size & Sector
<b>C</b>	Competitive Environment
<b>O</b>	Ownership & Objectives
<b>R</b>	Resources
<b>E</b>	External Environment

Complete the table on the next page to show specific products and services and impacts in context. The first one has been done for you. NB in the third column the context has been included in bold. You should highlight any examples of context in bold too. Try to get as many examples as you can. Also, in the third column try and add analysis, in the example the analysis is highlighted in yellow.

Business:	Product(s)/ Service(s):	Impact on the business if products/services are poor
	<p><b>Food:</b> Breakfasts Sausage and Egg McMuffins, Hash Browns, Big Mac, Signature Burger, Double Cheeseburgers, Happy Meals.</p> <p><b>Drinks:</b> Mc Café range of drinks, milk shakes, Coca-Cola, Tropicana, Water.</p> <p><b>Services:</b> Self-service kiosks, table service, drive thru, home delivery.</p>	<p>Customers might complain and demand a refund on their <b>meals</b>.</p> <p>Next time they are looking for fast food, they might go to a competitor such as <b>Burger King</b>, which would mean <b>McDonalds would lose their market share and in the long term might lose their position as market leader for fast food</b>,</p>
		
		



**Task 2: Give definitions of the following terms**

Assets-

Balance sheet-

Capacity utilisation-

Exchange rates-

Fixed costs-

Globalisation-

Horizontal integration-

Inferior goods-

Job production-

Lean production-

Market research-

Niche markets-



Penetration pricing-

Quality control-

Retained profit-

Stakeholders-

Tariffs-

Opportunity cost-

Sectors-

Unlimited Liability-

Private Limited Company-

Dividends-



**Task 3: Analysing an industry**

Listen to the two podcasts highlighted below and answer the following questions.

Podcast one- <https://www.bbc.co.uk/programmes/m0001195>

- What industry is being discussed in the podcast?
- What are some of the differences between different providers in the industry?
- What are the risks involved in this industry?

Write down three interesting facts from the podcast.

1.

2.

3.

Podcast two - <https://www.bbc.co.uk/programmes/b0bbt619>

- What industry is being discussed in the podcast?
- What are some of the differences between different providers in the industry?
- What are the risks involved in this industry?

Write down three interesting facts from the podcast.

1.

2.

3.

**Task 4: Independent research**

During BTEC Level 3 study you are expected to complete independent reading and research. <https://www.tutor2u.net/business> is an excellent source of revision information and additional reading to help you develop your understand of key concepts in business. Click on the following links and write up a summary in the spaces available of the key concepts explained in the videos.

1. Multinationals-

<https://www.tutor2u.net/business/reference/multinationals>

Summary-

2. Budgets and budgeting-

<https://www.tutor2u.net/business/reference/budgets-and-budgeting-introduction>

Summary-

3. Stakeholders and shareholders-

<https://www.tutor2u.net/business/reference/stakeholders-and-shareholders-compared>

Summary-

4. Overtrading-

<https://www.tutor2u.net/business/reference/overtrading-explained>

Summary-

5. Limited and unlimited liability-

<https://www.tutor2u.net/business/reference/limited-and-unlimited-liability>

Summary-

6. Branding- <https://www.tutor2u.net/business/reference/value-of-branding>

Summary-



**TASK 5: Using SCORE**

A) Can you guess what business this is using the key terms in the acronym SCORE?

<b>S</b>	Large business with lots of bakeries. Operates in the secondary/ tertiary sector/ food/ food on the go
<b>C</b>	Costs = Staff costs; Shop rent; Bread, Flour: Customers = Food on the go: Competition = Subway, Pret, McDonalds, KFC
<b>O</b>	Repositioning the business with a bigger focus and emphasis on food-on-the-go. Widening their range of vegan products
<b>R</b>	Stores; UKs biggest bakery chain; Products include sausage rolls, cakes and sandwiches
<b>E</b>	Competitive market; general move towards healthier eating; growth in veganism

And the answer is.....



B) Now think of any business of your choice and make your own example just like the one for Greggs. When you return in September, you will share your examples and try and guess each other's.

<b>S</b>	
<b>C</b>	
<b>O</b>	
<b>R</b>	
<b>E</b>	

**Task 6: Research Activity**

Chose a large business of your choice that really interests you such as Apple, Nike or Adidas. Make sure you are really interested in this business as throughout the course you will be doing more research on this business.

The business I have chosen is

\_\_\_\_\_.

Fact	Description
Products and services offered	
Size of business	
Business Sector	

Profits /losses made in recent years	
Type of ownership	
Other interesting facts about the business.	

### **Task 7: Stakeholders**

Stakeholders are the groups of people who have an interest in a business

Internal stakeholders are those inside a business such as employees and owners.

External stakeholders are those from outside the business such as suppliers, the government, Complete the table below to show 3 internal and 3 external stakeholders of the business. Then, for each one identify what their interests will be.

<b><u>Internal stakeholders</u></b>	<b><u>What their interests are</u></b>
1.	
2.	
3.	



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<u>External stakeholders</u>	<u>What their interests are</u>
1.	
2.	
3.	

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### **Task 8: You and The Future**

Please tell me a little bit about yourself and what you would like to do in your future career. You could present the information in any format such as a mind map.

### **Task 9: CV Task**

Over the summer you should ensure you have an up to date CV, you may need it if you are applying for a part time job, its great practice to always have an up to date CV ready to go. This will also come in handy when you apply for University and are writing your UCAS Statement

Below is an example of a CV to help you.

#### Curriculum Vitae

Name: Sally Smith

Address: 10 South View

South Shields

Tyne & wear

NE99 0QA

D.O.B: 28/01/2001

Mobile Number: 07859488795

Email Address: sallssmith@live.co.uk

#### Education:

St Wilfrid's RC College (GCSE's)

St Wilfrid's RC College (currently sixth form)

Subjects Studied and Grades/Predicted Grades:

Subject	Grade	Provisional/actual
BTEC Business	Distinction	Actual (GCSE)
Computing (computer science)	5	Actual (GCSE)
Combined science	55	Actual (GCSE)
English literature	5	Actual (GCSE)
English language	4	Actual (GCSE)
Geography	5	Actual (GCSE)
Mathematics	6	Actual (GCSE)
Religious education	6	Actual (GCSE)
BTEC Sport	Distinction*	Actual (GCSE)
BTEC Sport diploma	Distinction*/Distinction*	Provisional (A-LEVEL)
BTEC business Level 3	Distinction	Provisional (A-LEVEL)

### Employment History:

I am currently still in full time education at St Wilfrid's RC Collage (sixth form).

I am also currently working as a lifeguard at Haven Point

I am also currently working as a swimming teacher at Haven Point

I am also currently working as a Rookie Lifeguard Instructor at Haven Point.

### Experience:

I have completed a week at The Wood Group company for my work experience which include working in different department i.e. Health and Safety, Purchasing, Wages, Accounts and all the general office work.

I have also completed 5 years of work experience at Brinkburn C.I.O as an assistant swimming teacher and lifeguard this was before I became qualified. This included teaching people how to swim and making sure that they were safe.

### Interest and Hobbies:

My interests and hobbies are swimming, lifeguarding, scouting and going to the gym.

I have been swimming since I was 3 and I still swim to this day. I have been part of many clubs this includes Sunderland swim team and south Tyneside swim team. I have carried on this passion for swimming by becoming a fully qualified swimming teacher. I have gained my level one swimming teacher assistant qualification and my level two swimming teacher qualification.

I am also a member of the South Shields Volunteer Lifeguard Club and have been for about 7 years this has given me the life skill of protecting and saving life in and out of the water. Due to this I achieved many awards through lifeguarding and most importantly I achieved my NPLQ (national pool lifeguard qualification) which allows me to be a lifeguard and work on all poolside's.

I am also a Scout and Leader within the Scouting World, I have been involved in scouting since the age of 6 this means I have been involved for 11 years, due to this I have achieved lots of life skills and awards some of these are; my Bronze Duke of Edinburgh, my Silver Duke of Edinburgh and my Gold Duke of Edinburgh where I am attended the garden party at Buckingham palace to receive my award. I have also taken part on a 3-

week long course in the lakes where I achieved my Outward bounds Skills for Life. My biggest achievement in scouting is that I have achieved my Queens Scout Award where I am going to Windsor castle to take part in a parade and many services where I will receive this award.

I also like going to a Gym in my free time to keep fit and socializing.

### Qualifications:

NPLQ (national pool lifeguard qualification) generation 9.

First aid at work qualification with an Anaphylactic bolt on.

Level one assistant swimming teacher qualification.

Level two swimming teacher qualification.

Rookie Lifeguard Instructor.

### Task 10: What to watch?

#### Recommended TV Shows

##### **Dragons Den:**



Budding entrepreneurs get three minutes to pitch their business ideas to five multimillionaires who are willing to invest their own cash to kick-start the businesses in the original "Shark Tank." After each pitch, the Dragons have the opportunity to ask questions about the venture. The entrepreneurs don't always have to answer, but of course what they choose not to address could very well affect the outcome. The pitch is over when each of the Dragons has declared, "I'm out."



## The Apprentice

Sir Alan Sugar tests the nerves and brains of the hungriest hopefuls in the business world as they compete to win a six-figure salary job as his apprentice.

## Peter Jones Meets .....

Peter Jones, the star of Dragons Den, gets to meet some of Britain's Top entrepreneurs finding out how they made they millions.



## Recommended Movies

*You are looking for a brain break from your business bridging unit this summer, you might enjoy some of these business movies.*

But if you're not up for yet another "Mission Impossible" or "Terminator" sequel, queue up Netflix or Hulu and stream some of these tried-and-true business movies.



For Hollywood, the corporate world has always made for good business – and memorable one-liners. From the infamous Gordon Gecko's declaration that "Greed is good" to Jerry Maguire's, "Show me the

money,” film is replete with insight into the minds and souls of characters pursuing power and profit.

There are business movies to suit whatever mood you’re in.

**If you’re looking to laugh, there’s:**

- **“Nine to Five”:** You can’t go wrong with Lily Tomlin, Dolly Parton and Jane Fonda getting even with the most arrogant, chauvinistic boss ever, Dabney Coleman. Rating 15
- **“The Devil Wears Prada”:** Another film in the bad-boss genre set in the world of high fashion. Naïve and aspiring journalist Anne Hathway plays junior assistant to cruel and powerful editor Meryl Streep. Rating PG

**If you want to be inspired, there’s:**

- **“Norma Rae”:** Who doesn’t get goosebumps when feisty Sally Fields jumps on the table in the midst of the blaring factory floor, holding the “Union” sign above her head and workers, one by one, silence their machines. Rating PG
- **“Field of Dreams”:** More than a great baseball movie, this film conveys a message about the entrepreneurial spirit and the perseverance needed to fulfill a dream: “If you build it, they will come.” Rating PG

**If you’re looking for a classic:**

- **“On the Waterfront”:** This Marlon Brando classic is a morality tale based on a New York City newspaper reporter’s expose on crime and corruption in the city’s mob-run dockyards. The film deals with the issues of trade unionism and labor racketeering and the struggles of longshoremen for work and dignity. If you’ve never seen Brando’s character, a washed-up ex-boxer, utter the words, “I coulda been a contender,” then this is a must-watch film. Rating PG
- **“A Christmas Carol”:** You’ve seen George C. Scott (1984) and Jim Carrey (2009) as Scrooge. Watch Reginald Owen in the original 1938 version or Alastair Sim (1951) depict the most cold-hearted businessman there ever



was as he confronts the fundamental question: what is business is all about – serving humanity or amassing personal wealth? Rating PG

### Top Ten Best Business Movies Include;

#### 1. “Boiler Room”

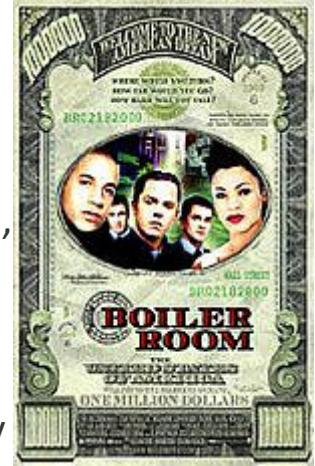
**Drama/Thriller (2000)**

**Actors:** Giovanni Ribisi, Vin Diesel, Nia Long, Ben Affleck

**Recommended by:** Philip Hatlem

**Plot:** Desperate to please his father who is federal judge, Seth Davis, an ambitious, intelligent college dropout gets a job as a stockbroker for a small firm. Lured by big commissions and dreams of wealth, he becomes very successful at sales, but comes to question the legitimacy of his firm’s operations.

**Worth the watch:** “Boiler Room” is a movie about ethics in business during the dot-com bubble of the late 1990s and the ‘get-rich-quick’ mentality that defined that period. It also teaches a lesson about the importance of thoroughly investigating a potential job before accepting it. Rating 15



#### 2. “Citizen Kane”

**Drama/Mystery (1941)**

**Actors:** Orson Welles, Dorothy Comingore, Joseph Cotton

**Recommended by:** Dr. Patti Williams

**Plot:** Charles Foster Kane is a newspaper tycoon who starts out with good intentions but gets obsessed with the pursuit of power. This movie takes the audience through a sequence of flashbacks as a reporter attempts to untangle the mystery of the mogul's dying words, “Rosebud.”

**Worth the watch:** Kane starts his career as an idealistic newspaper man and accumulates much wealth but loses his soul in the process, dying old and alone. This movie emphasizes the impact of greed and the fact that money does not bring happiness. Rating: Universal



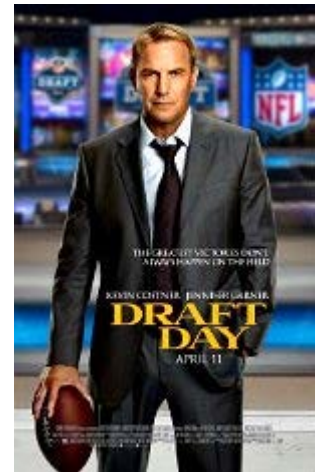
### 3. “Draft Day”

**Drama** (2014)

**Actors:** Kevin Costner, Chadwick Boseman, Jennifer Garner

**Recommended by:** Dr. Kathryn Adamson

**Plot:** As the general manager for the Cleveland Browns, Sonny Weaver has the opportunity to rebuild his team on draft day when he trades for the number one pick. Professional complications and pressures abound as the day unfolds and Weaver must weigh his personal convictions and decide what sacrifices he’s willing to make.



**Worth the watch:** “Draft Day” illustrates the complicated process of decision-making, especially when under pressure. Business decisions are influenced by multiple factors including time, money, other individuals, and personal motives. This movie demonstrates the importance of keeping the main thing, the main thing, and the power of negotiation.

Rating 15

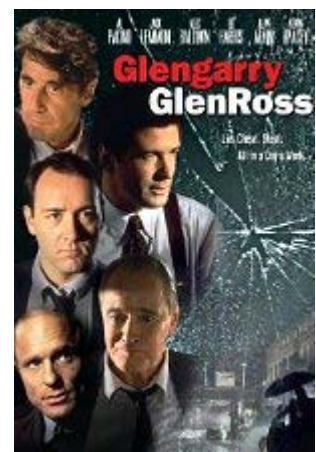
### 4. “Glengarry Glen Ross”

**Drama:** (1992)

**Actors:** Al Pacino, Jack Lemmon, Alec Baldwin

**Recommended by:** Philip Hatlem

**Plot:** Adapted from the Pulitzer Prize winning play by David Mamet, the film focuses on four desperate real estate agents who sell investment properties in retirement developments. Under corporate pressure to increase performance, they are forced to compete in a sales contest. Since the losers will be fired, the agents resort to treachery to fool potential clients.



**Worth the watch:** While potentially lucrative, sales is usually viewed as a competitive and somewhat risky career path; therefore, many companies today are having a difficult time filling sales positions. This film depicts sales tactics to follow such as acting with confidence, speaking with

passion, paying attention to details and connecting with clients as well as numerous obvious tactics to avoid, including lying, cheating and stealing.  
Rating 15

## 5. “Moneyball”

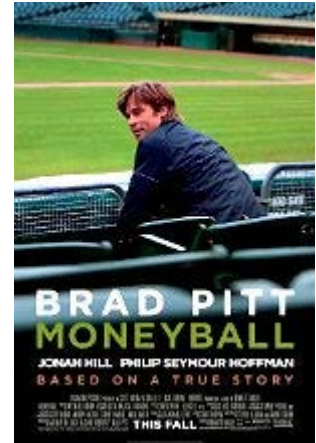
**Drama** (2011)

**Actors:** Brad Pitt, Robin Wright, Jonah Hill

**Recommended by:** Dr. Ronda Mariani

**Plot:** Oakland A’s General Manager Billy Beane has his back against the wall to assemble a winning baseball team with the lowest salary constraint in baseball. He hires a young Ivy League grad to scientifically analyze data based on Bill James’ statistic approach so that Beane can select undervalued players based on their on base percentages.

**Worth the watch:** For management students, this film demonstrates the value of innovative thinking and the importance of implementing new processes to drive change and create solutions. It’s also a great example of having the courage to take calculated risks. Rating 12 A



## 6. “Office Space”

**Comedy** (1999)

**Actors:** Ron Livingston, Jennifer Anniston, David Herman

**Recommended by:** Dr. Patti Williams

**Plot:** Continually humiliated by their soulless boss, computer programmer Peter Gibbons and his two friends hate their jobs at Initech. When the company hires efficiency experts as the first step toward corporate downsizing, they devise a plan to extract revenge.

**Worth the watch:** The young professionals in this movie took the right path by going to college, choosing a stable career and working hard; yet they found themselves confined to cubicles with managers who lacked the skills to inspire or stimulate them. This film stresses the importance of



being an effective manager. Getting to know subordinates, their roles and abilities, and conversing with them about their desires creates a more satisfying and more dynamic workplace. Rating 15

## 7. “Outsourced”

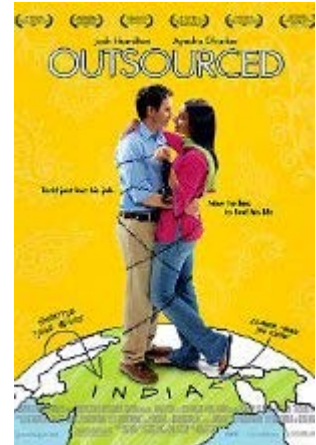
**Drama** (2007)

**Actors:** Josh Hamilton, Ayesha Dharker

**Recommended by:** Dr. Ronda Mariani

**Plot:** Call center manager for a novelty company in Seattle, Todd Anderson travels to India to train his replacement when the company outsources center operations to Bombay. Cultural differences and misunderstandings abound as Anderson tries to teach the new staff about American culture and what American customers expect, while learning more about Indian culture so that that he can help the workers be successful.

**Worth the watch:** Dr. Mariani recommends this film particularly for international management students since it provides insight into the influence of cultural differences when conducting business in a global marketplace and a glimpse into the impact of a global economy. Rating PG



## 8. “The Corporation”

**History/Documentary** (2004)

**Directors:** Mark Achbar, Jennifer Abbott

**Recommended by:** Dr. Chris McChesney

**Plot:** Winner of numerous international awards, this film is based on the book *The Corporation: The Pathological Pursuit of Profit and Power* by Joel Bakan. It includes interviews with 40 corporate executives from a range of industries, business insiders and critics.

**Worth the watch:** This film teaches students about the various aspects and intricacies of corporations in America and how the corporation has





evolved in the business world of today. It covers important topics for business students including: branding, capitalism, corporate crime, marketing, social responsibility, regulation, strategies for change and more. Rating PG

## 9. “The Social Network”

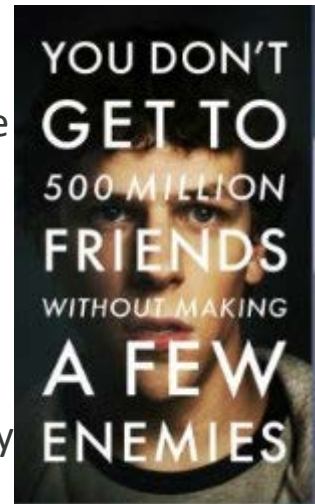
**Drama** (2010)

**Actors:** Jesse Eisenberg, Rooney Mara, Justin Timberlake

**Recommended by:** Dr. Sherrie Lewis

**Plot:** A movie about Facebook founder Mark Zuckerberg, the youngest billionaire in history and the legal and personal complications that result from creating the social networking site known as Facebook. It begins with website’s inception in a Harvard University dorm room and continues through the battles over ownership among its originators.

**Why it’s worth the watch:** Dr. Lewis says this is another good film about business ethics, emotional intelligence, power and leadership. Rating 12 A



## 10 “Walmart, The High Cost of Low Prices”

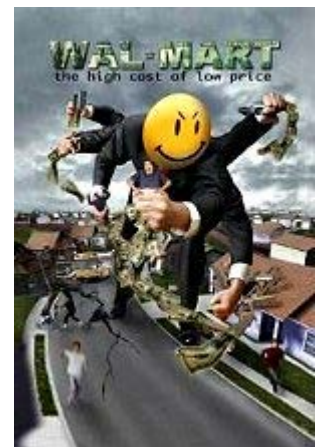
**Documentary** (2005)

**Actors:** Lee Scott, Don Hunter, Jon Hunter

**Recommended by:** Dr. Chris McChesney

**Plot:** Interviews with former employees, small business owners impacted by Walmart’s presence in their communities and archival footage of Walmart executives combined with statistics create a critical documentary and negative picture of Walmart’s business practices.

**Worth the watch:** This movie gives students an idea about how Walmart works as a corporation, how they treat their employees, their feelings toward union negotiations, and the overall strategy of the company. Dr.



McChesney says that while this movie is a little dated, it still provides valuable information for business students.

**Task 11: Learn the equations**

**In Unit 3 – Personal and Business Finance, you will be learning all about Finance and it would be really useful to you if you can research and learn the following;**

BREAK EVEN ANALYSIS	
<u>FORMULA</u>	<u>EQUATION</u>
Total revenue	Selling price x quantity sold
Total costs	Fixed costs + total variable costs
Profit	Total revenue - total costs
Total contribution	Sales revenue - total variable costs
Contribution per unit	Selling price - variable costs
Profit using contribution	Contribution per unit x margin of safety
Break even output	Total fixed costs / unit contribution
Margin of safety	Actual sales - break even level of output

MEASURING PROFITABILITY	
<u>FORMULA</u>	<u>EQUATION</u>
Gross profit margin	Gross profit / revenue x 100
Mark up	Gross profit / cost of sales x 100
Profit margin	Profit / revenue x 100
Return on capital	Profit / capital employed x 100

### STATEMENT OF FINANCIAL POSITION

<u>FORUMLA</u>	<u>EQUATION</u>
Net current assets	Current assets – current liabilities
Net assets	Non current assets + net current assets – long term liabilities
Capital employed	Opening capital + profit for the year
Balance sheets	Net assets = capital employed

### STATEMENT OF COMPREHNSIVE INCOME

<u>FORMULA</u>	<u>EQUATION</u>
Revenue	Unit price x quantity sold
Gross profit	Sales revenue - cost of goods sold
Cost of goods sold	Opening inventory + purchases - closing inventory
Profit / loss for the year	Gross profit - expenses + other income
Net book value	Cost - depreciation

### MEASURING EFFICIENCY

<u>FORMULA</u>	<u>EQUATION</u>
Inventory turnover	Average inventory Turnover / cost of sales x 365

**MEASURING LIQUIDITY**

<u>FORMULA</u>	<u>EQUATION</u>
Current ratio	Current assets / current liabilities
Liquid capital ratio	Current assets – inventory / current liabilities
Trade payable days	trade payables / credit purchase x 365
Trade receivable days	Trade receivable / credit sales x 365

**BREAK EVEN ANALYSIS**

<u>FORMULA</u>	<u>EQUATION</u>
Net cash flow	Total cash inflow – total cash outflow
Closing balance	Opening balance + net cash flow

**CONGRATULATIONS** – BTEC Business Summer Transition work is now complete!