

Vocational Business Studies

Home Learning Pack Challenges

Please find attached a pack of work to help prepare you for Sixth Form.

*I am delighted that you have shown an interest in Business Studies. In order to get you thinking about the subject, I have drawn up a **challenge pack** to help you prepare for studies in the 6th form such as business research activities, books to read, films to watch on a rainy afternoon, useful websites to browse when Snapchat, Instagram gets dull.*

For a look at the syllabus:

- Btec RQF Vocational Specification
https://qualifications.pearson.com/content/dam/pdf/BTEC-Nationals/Business/2016/specification-and-sample-assessments/9781446938218_BTECNationals_Bus_ExCert_Spec_Iss3C.pdf

Useful websites/apps- register now:

- Register with <http://www.tutor2u.net>, a Business Studies blog especially written for students. A daily blog will be sent to you with interesting news articles that tie into the syllabus, comments from examiners and (later) tips and support for exam modules
- For (business) news stories use the BBC website <http://news.bbc.co.uk>

In the meantime, I am so very sorry you have lost your opportunity to complete the exams. During these unprecedented times it's important to keep going and know we will be back to normal soon.

Kind regards

Mrs Arrim Rafique

Head of Vocational Business

Woking College

CONTENTS

1. Home Learning Activities Challenges

- A week in business
- Brands
- Entrepreneurs
- Research
- Break Even

2. Reading




- Text Books
- Business Reading Books
- Newspapers and magazines
- Websites

3. Films

4. TV Programmes





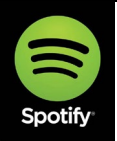

5. Financial Formulas

Home Activities

"A week in Business".				
1	Select 7 pictures, one for each day to represent a business news story. (see if there is something different happening not just Coronavirus)			
2	For each story, write a commentary/explanation: <ul style="list-style-type: none"> • What is happening • What has it got to do with business • Why is it important? 			
3	Select the story that you found most interesting. Why was this?			
4	Create a poster showing your pictures			

Choose a Company/brand and research it!

Find out the following – Ownership type, Revenue, Profit, Number of employees, size and scale, name of leader (CEO)

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Entrepreneurs and Leaders

Research these business people

ENTREPRENEURS			
 Denise Coates	 Bill Gates	 Evan Spiegel	 Jeff Bezos
 Elon Musk	 Oprah Winfrey	 Larry Page	 Simon Nixon
 Kylie Jenner	 John Paul DeJoria	 Sergey Brin	 Susan Wojcicki

Research these different entrepreneurs and find out the following: -

1. What have they done?
2. Why are they an entrepreneur?
3. How did they do it?
4. What is their net worth?

Research Activity

Present your information as a report, PowerPoint presentation or poster.

1. Select a company

(picking a Public Limited Company (PLC) will make it easier to find information on the internet).

2. Research some basic facts:

- *Research the term "Annual Accounts for your chosen .PLC"*
- *Download the PDF*
- *Read the chairman's and CEO message at front of the pack*
- *Look through the pack to find the financial information (Income statement) this will show the revenue and profit.*

Explain the following

- *What does the business do?*
- *How large is it?*
- *Where is it based?*
- *What are its key objectives? (Hint: look in the Chairman's statement in the annual report)*

3. How successful is it?

Give evidence (Think about numbers: sales revenue, profit, market share etc. and get facts and figures).

4. Has it become more or less successful over the last few years?

(again, get evidence from annual report, compare finance for a few years)

5. What do you think are the key factors that affect its success and why?

(Think about competitors, Government regulation, the economy, its financial situation etc.)

6. Evaluate what impact the coronavirus has on this business?

Breakeven Activity

Curnock's Soap produces and sells natural soap products. It changes its product range every 4 months. As part of its summer collection it is planning to launch a new brand of luxury soap bar and wants to calculate the break-even point of the new product. Each bar of soap will go on sale for £9.99 and will cost £2.50 in materials, £1.00 in packaging and £2.50 in labour costs.

Curnock's Soap has expenses each month of £450 rent, £500 insurance and £950 in loan repayments.

TASK 1: Complete the rows below.

Bars sold	Revenue	Variable Costs	Fixed costs	Total costs	Profit (Loss)

TASK 2: How many bars of soap must the company sell to break-even each month? (1 mark)

If possible, include the formula which calculates this and show working (4 marks)

TASK 3: What is meant by 'Margin of Safety'? (2 marks)

TASK 4: State 1 benefit and 1 limitation of businesses of using Break-Even analysis (2 marks)

Benefit: _____

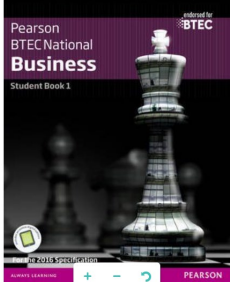
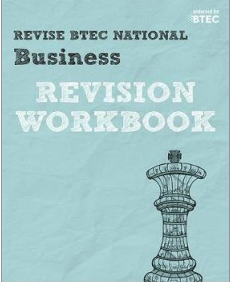
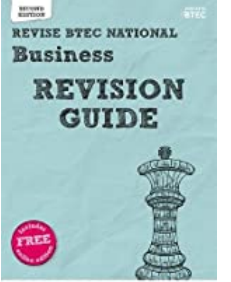
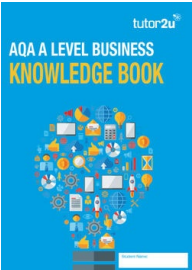
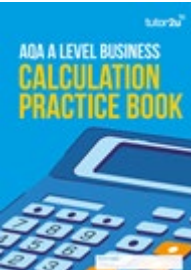
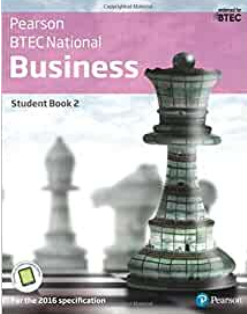
Limitation: _____

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READING

Business Text Books

Once the term starts, we recommend that you have purchased your own copy of the recommended textbook or e-book for your chosen course. Other book, revision guides are available, but make sure that they are **Edexcel Approved** and cover the specification for first teaching in 2016

<p>Main Text Book Essential! (YEAR 12)</p>  <p>ISBN: 9781292126241 £25.00</p>	<p>Revision Guide</p>  <p>ISBN-13: 9781292150116 £10.00</p>	<p>Revision Guide</p>  <p>£10.00</p>
<p>Revision Workbook</p>  <p>www.tutor2u - £5.95</p>	<p>Calculation workbook</p>  <p>www.tutor2u - £5.95</p>	 <p>Book 2 £25.00</p>

Other recommended reads - Quality newspapers/magazines such as *The Times*, *Guardian*, *Telegraph*, *Independent*, journals such as *The Economist* (N.B there are reduced rates for students on some of these, for example, students were able to buy *The Economist* for 6p per copy instead of the standard £2!) Also, you can sign up online and receive free articles.

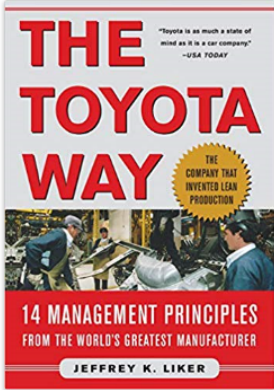
 <p>www.thetimes.co.uk</p>	 <p>www.independent.co.uk</p>	 <p>www.economist.com</p>	 <p>https://www.hoddereducation.co.uk/magazines/magazines-extras/business-review-extras</p>
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Business Books

	<p>Grinding It Out: The Making Of McDonald's by Ray Kroc 5 Mar 2012</p> <p>★★★★☆ ~ 403</p> <p>Mass Market Paperback £6.34 £7.99</p> <p>✓prime Get it Wednesday, Apr 1 Eligible for FREE UK Delivery</p> <p>More buying choices £1.44 (19 used & new offers)</p>								
	<p>Business, Finance & Law > Careers > Entrepreneurship</p> <p>How I Made It: 40 Successful Entrepreneurs Reveal How They Made Millions: 40 Successful Entrepreneurs Reveal All Hardcover – 3 Nov 2004</p> <p>by Rachel Bridge (Author)</p> <p>★★★★☆ ~ 45 ratings</p> <p>> See all 8 formats and editions</p> <table border="1"> <tr> <td>Kindle Edition</td> <td>Hardcover</td> <td>Paperback</td> </tr> <tr> <td>£11.39</td> <td>from £0.01</td> <td>£11.99</td> </tr> </table> <p>Read with Our Free App 29 Used from £0.01 15 Used from £0.85 1 New from £25.99 15 New from £3.64</p>	Kindle Edition	Hardcover	Paperback	£11.39	from £0.01	£11.99		
Kindle Edition	Hardcover	Paperback							
£11.39	from £0.01	£11.99							
<p>An essential read for anyone that is thinking about starting their own business. Successful Entrepreneurs are interviewed about how they spotted a gap in a market, and developed a USP.</p>									
	<p>Shoe Dog: A Memoir by the Creator of NIKE by Phil Knight</p> <p>★★★★☆ ~ 4,921</p> <p>Kindle Edition £6.99 £9.99</p> <p>Audible Audiobooks £0.00 £27.09</p> <p>Free with Audible trial</p> <p>Hardcover</p>								
	<p>The Tipping Point: How Little Things Can Make a Big Difference Paperback – 14 Feb 2002</p> <p>by Malcolm Gladwell (Author)</p> <p>★★★★☆ ~ 1,950 ratings</p> <p>> See all 48 formats and editions</p> <table border="1"> <tr> <td>Audiobook</td> <td>Hardcover</td> <td>Paperback</td> <td>Audio CD</td> </tr> <tr> <td>£0.00</td> <td>from £4.58</td> <td>£5.47</td> <td>£29.79</td> </tr> </table> <p>Free with your Audible trial 7 Used from £4.58 22 Used from £5.09 1 Used from £31.36 4 New from £19.95 30 New from £1.46 2 New from £29.79 1 Collectible from £14.95</p> <p>Get it Wed, 1 Apr. with FREE delivery. Get it Wed, 25 Mar. if you order within 9 hrs 3 mins and choose faster delivery at checkout. Details</p> <p>Note: This item is eligible for click and collect. Details</p> <p>A wonderful page-turner about a fascinating idea that should affect the way every thinking person thinks about the world around him! Michael Lewis</p>	Audiobook	Hardcover	Paperback	Audio CD	£0.00	from £4.58	£5.47	£29.79
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£0.00	from £4.58	£5.47	£29.79						
<p>A very readable and fascinating book, which looks into the reason's products become market leaders.</p>									
	<p>The Google Story by David A. Vise 7 Nov 2008</p> <p>★★★★☆ ~ 87</p> <p>Paperback More buying choices £0.06 (33 used & new offers)</p> <p>Kindle Edition £4.99 £12.99</p>								
<p>An interesting investigation into the culture at Google, includes insights into the four-day working week and soft management styles. The questions are; are these the things that made Google the world's number one search engine?</p>									

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14 MANAGEMENT PRINCIPLES FROM THE WORLD'S GREATEST MANUFACTURER
JEFFREY K. LIKER

The Toyota Way: 14 Management Principles from the World's Greatest Manufactur

2004

by Jeffrey Liker (Author)

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Insight and Analysis into the Life and Accomplishments of the Richest Man on the Planet

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by JR MacGregor (Author)


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Elon Musk: How the Billionaire CEO of SpaceX and Tesla is Shaping our Future

by Ashlee Vance | 10 Mar 2016

★★★★☆ 5,417

Paperback







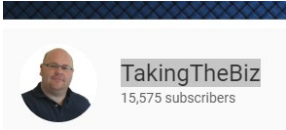
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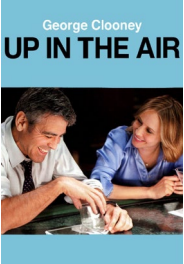
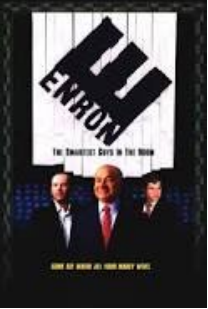


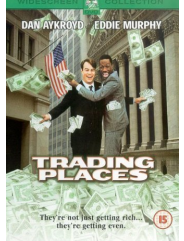
Recommended websites/follow on Twitter/ Apps on your mobile

 <p>www.tutor2u.net Excellent business website with everything you need to learn for Business A Level, presentations, videos, revision quizzes.</p>	 <p>www.bbc.co.uk Excellent news website with everything you need to learn about what is going on in the world today</p>	 <p>London Stock Exchange www.londonstockexchange.com Excellent website with everything you need to learn about share prices and market capitalization.</p>
 <p>https://beta.companieshouse.gov.uk/ Excellent website which allows you to research any registered Private Limited Company LTD in the UK.</p>	 <p>https://iq.ft.com/sites/numbers/economies/uk/ Excellent website for researching the UK economy at a glance. The FT's one-stop overview of key economic data, including GDP, inflation, unemployment, the major business surveys, the public finances and house prices</p>	  <p>Really useful YouTube channel with wide range of revision videos on all business a level topics</p>


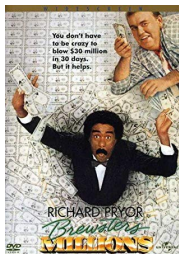


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FILMS

Watch something about business on Netflix*

	<p>1. <u>Up In The Air with George Clooney (2010):</u> <i>Up in the Air is a 2009 American comedy-drama film directed by Jason Reitman and written by Reitman and Sheldon Turner, based on the career of J Weller. The story is centered on corporate "downsizer" Ryan Bingham (George Clooney) and his travels.</i></p> <p>Business reference: Human Resources, retrenchment</p>
	<p>2. <u>Enron: The Smartest Guys in the Room (2005):</u> <i>The film examines the 2001 collapse of the Enron Corporation which resulted in criminal trials for several of the company's top executives during the ensuing Enron scandal it also shows the involvement of the Enron traders in the California electricity crisis.</i></p> <p>Business reference: Profit, Public Limited Companies, Stock market, insider trading</p>
	<p><u>Glengarry Glen Ross" (1992)</u> <i>This film follows the lives of four unethical Chicago real estate agents who are prepared to go to any lengths (legal or illegal) to unload undesirable real estate on unwilling prospective buyers.</i></p> <p>Business reference: Profit</p>
	<p>5. <u>Working Girl (1988)</u> <i>This film showed the world that a woman could be just as successful and smart as any man in business. Today that seems like a given, but in 1988 it seems like it was still pretty revolutionary.</i></p> <p>Business reference: Human Resources, Motivation, Entrepreneur</p>
	<p>6. <u>Trading Places (1983):</u> <i>Trading Places is a 1983 American comedy film directed by John Landis and starring Dan Aykroyd and Eddie Murphy. It tells the story of an upper-class commodities broker and a homeless street hustler whose lives cross paths when they are unknowingly made part of an elaborate bet.</i></p> <p>Business reference: profit, stock market</p>

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	<p>7. <u>How to Succeed in Business Without Really Trying (1967).</u> <i>Pierpont Finch (Robert Morse) is a lowly window cleaner with dreams of making it big in the business world. After finding a copy of the book "How to Succeed in Business Without Really Trying," Finch decides to apply the tactics in the book to his own life.</i></p> <p>Business reference: entrepreneurial characteristics profit,</p>
	<p>5. <u>Brewsters Millions</u> <i>After losing his position as a minor-league pitcher, Montgomery Brewster (Richard Pryor) learns his great-uncle has left him \$300 million. To inherit it, Brewster must spend \$30 million in 30 days under a complicated set of rules that forbid him from donating too much to charity or retaining any new assets when the period is up. Unable to share details about the will's odd conditions with anyone,</i></p> <p>Business reference: money, assets</p>
	<p>6. <u>The Founder</u> <i>The true story of how Ray Kroc (Michael Keaton), a struggling salesman from Illinois, met Mac (John Carroll Lynch) and Dick McDonald (Nick Offerman), who were running a burger operation in 1950s Southern California. Kroc was impressed by the brothers' speedy system of making the food and saw franchise potential. Kroc soon maneuvers himself into a position to be able to pull the company from the brothers and create a multi-billion dollar empire.</i></p> <p>Business reference : Franchising</p>
	<p>7. <u>Pursuit of Happyness</u> <i>The Pursuit of Happyness is a 2006 American biographical drama film based on entrepreneur Chris Gardner's nearly one-year struggle being homeless. Directed by Gabriele Muccino, the film features Will Smith as Gardner, a homeless salesman.</i></p> <p>Business reference : Entrepreneurial spirit, sales, finance</p>

*Some of these films may include mature themes so please check the ratings before watching.

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TV

The following television programmes are recommended for background business knowledge.


 <p><u>BBC News</u> Last news from around the world.</p>	 <p><u>BBC Panorama</u> British current affairs documentary programme</p>	 <p><u>BBC newnight</u> Key national and international news stories</p>
 <p><u>Dragons Den</u> Programme about entrepreneurs presenting their business ideas to gain funding from the Dragons. (Venture Capitalists)</p>	 <p><u>The Apprentice</u> Programme about entrepreneurs working in teams and being interviewed so they can gain backing of Sir Alan Sugar for their business idea.</p>	 <p><u>Question Time</u> Topical debate in which guests from the worlds of politics and the media answer questions posed by members of the public.</p>
 <p><u>Undercover Boss</u> A CEO goes undercover to find out how a large firm is running. There are both UK and USA versions. Check catchup TV or YouTube</p>	 <p><u>Inside the Factory</u> A fun insight into foods we eat and how they are made. Shows student the different production methods used.</p>	 <p><u>Only Fools and Horses</u> Bit of comedy. The original sole trader "Del Boy". Show goes through the trials and tribulations of Trotters Independent Traders!</p>

Financial Formulas you will learn!

KEY FORMULAS

You could create your own revision cards to get started!

No	FORMULA
1	<p><u>BUSINESS BASICS</u></p> <ul style="list-style-type: none"> • Revenue (Sales or Turnover) = Selling price per unit × Quantity of units sold • Variable costs (Total variable costs) = Variable cost per unit × Number of units sold • Total costs = Fixed costs + Variable costs • Profit = Total revenue – Total costs OR Total contribution – Fixed costs
2	<p>Market capitalisation of a business =</p> <ul style="list-style-type: none"> • Number of issued shares × Current share price
3	<p>Expected value of a decision with two possible outcomes e.g. A & B = (Pay-off of A × probability of A) + (Pay-off of B × probability of B)</p> <p>Net gain = Expected value – Initial cost of decision</p>
4	<p>Market growth (%) = $\frac{\text{Change in the size of the market over a period}}{\text{Original size of the market}} \times 100$</p> <p>REMEMBER $\frac{\text{New} - \text{Old}}{\text{Old}} \times 100$</p>
5	<p>Market share (%) = $\frac{\text{Sales of one product OR brand OR business}}{\text{Total sales in the market}} \times 100$</p>
6	<p>Added value = Sales revenue – costs of bought-in goods and services</p>
7	<p>Labour productivity = $\frac{\text{Output over a time period}}{\text{Number of employees}}$</p>
8	<p>Unit costs (average costs)= $\frac{\text{Total costs}}{\text{Number of units of output}}$</p>
9	<p>Capacity utilisation (%) = $\frac{\text{Actual output}}{\text{Maximum possible output}} \times 100$</p>

10	<p>Return on investment (%) = $\frac{\text{Profit from the investment (£)}}{\text{Cost of the investment (£)} \times 100$</p>
11	<p>Gross Profit = Revenue* – Cost of Sales</p> <p>Profit from Operations = Operating profit = Gross profit – Operating Expenses</p> <p>Profit for year = Operating profit + Profit from other activities – Net finance costs – Tax</p> <p><i>* Can be called other things e.g. Turnover, Sales, Income all means the same thing</i></p>
12	<p>Gross profit margin (%) = $\frac{\text{Gross profit}}{\text{Revenue}} \times 100$</p> <p>Profit from operations margin = Operating profit margin (%) = $\frac{\text{Operating profit}}{\text{Revenue}} \times 100$</p> <p>Profit for year margin (%) = $\frac{\text{Profit for year}}{\text{Revenue}} \times 100$</p>
13	<p>Variance = Budgeted figure – actual figure</p>
14	<p>Contribution per unit = Selling price – Variable costs per unit</p> <p>Total contribution = Contribution per unit × Units sold OR Total contribution = Total revenue – Total variable costs</p>
15	<p>Break-even output =</p> <p>$\frac{\text{Fixed Costs}}{(\text{Selling Price} - \text{Variable Cost per unit})^*}$</p> <p><i>*(Also known as Contribution per unit)</i></p> <p>Margin of safety = Actual level of output – Break-even level of output</p> 
16	<p>Labour turnover (%) =</p> <p>$\frac{\text{Number of staff leaving}}{\text{Number of staff employed by the business}} \times 100$</p>
17	<p>Employee retention rate (%) for a particular time period =</p> <p>$\frac{\text{Number of employees who remained with the business for the whole period of time}}{\text{Number of employees at start of the time period}} \times 100$</p>

18	<p>Employee costs as percentage of turnover =</p> $\frac{\text{Employee costs}}{\text{Turnover}} \times 100$
19	<p>Labour cost per unit =</p> $\frac{\text{Labour costs}}{\text{Units of output}}$
20	<p>Return on capital employed (ROCE)(%) =</p> $\frac{\text{Operating profit}}{\text{Total equity + non-current liabilities}} \times 100$ <p><i>Where total equity + non-current liabilities = capital employed</i></p>
21	<p>Current ratio =</p> $\frac{\text{Current assets}}{\text{Current liabilities}} \quad :1$
22	<p>Gearing (%) =</p> $\frac{\text{Non-current liabilities}}{\text{Total equity + non-current liabilities}} \times 100$ <p><i>Where total equity + non-current liabilities = capital employed</i></p>
23	<p>Payables days =</p> $\frac{\text{Payables}}{\text{Cost of sales}} \times 365$
24	<p>Receivables days =</p> $\frac{\text{Receivables}}{\text{Revenue}} \times 365$
25	<p>Inventory turnover =</p> $\frac{\text{Cost of sales}}{\text{Average inventories held}}$
26	<p>Average rate of return (%) =</p> $\frac{\text{Average annual return (£)}}{\text{Initial cost of project (£)}} \times 100$