

SUMMER WORK

A LEVEL BUSINESS

STUDENT NAME:





Welcome!

We are delighted to welcome you to the A-Level Business course at D6A. You are about to begin an exciting and challenging journey that will develop your understanding of the business world and prepare you for future success.

Important Deadline

All summer work activities must be **fully completed and submitted on the first day of college**. This work will be collected and reviewed by your Business teacher, and it forms an important part of your transition into A Level study.

Our Expectations

At D6A, and especially within the Business Department, we pride ourselves on a culture of **excellence and high standards**. This means we expect all summer work to be completed to an **excellent standard**—well-presented, thoughtful, and showing your best effort.

What You Need to Do

This set of tasks designed to introduce you to key business concepts and skills. Please ensure you:

- Read all instructions carefully
- Complete each task fully
- Present your work clearly and professionally
- Bring your completed work with you on your first day

We are excited to see the effort and enthusiasm you bring to your summer work. This is your first step into the world of A Level Business—make it count!

See you in September!



Introductory vocabulary Booklet Business A-level

4-hour self-discovery sheet



Task 1: Watch this video and answer to the following questions 'What is Business?'



https://www.youtube.com/watch?v=64C6EX-p4eU

1.	What are the four factors of production?
2.	What does the term "capital" refer to in a business?
3.	Who takes risks and organises resources in a business?
4.	What are internal factors in a business?
5.	What is meant by an external factor?
3.	Give one example of an external economic factor.
7.	What does consumer protection aim to ensure?
3.	What is the difference between a good and a service?
9.	Which of the following is an example of a service?
10	. Why might a business choose to recycle more?



The Four Functional Areas (Internal factors) of Business

In any successful business, different departments work together to help the organisation meet its goals. These departments are often grouped into **functional areas**, each with its own responsibilities, objectives and decision-making processes.

Below is an overview of the **four key functional areas** you'll study in A Level Business: **Marketing, Operations, Human Resources (HR), and Finance**.



1. Marketing

The Marketing department is responsible for understanding customer needs and ensuring the business can attract and retain customers. Its role includes **researching** the market, developing the product/service, establishing a brand, setting pricing strategies, promoting products, and choosing where and how to sell them.

Key responsibilities:

- Conducting market research to identify customer preferences and trends.
- Segmenting the market and targeting specific groups.
- Creating marketing campaigns and promotions.
- Deciding on pricing strategies (e.g. price skimming or penetration pricing).
- Managing the marketing mix (product, price, place, promotion).

Example: **Coca-Cola** uses global brand marketing and tailored local promotions to increase sales in different countries. Did you know Coca-Cola is the most recognised logo in the entire world? 98% of the population





Task 2: Using the internet find the definition for the following key terms

Market Research	
Customer Needs	
Market	
Segmentation	
Target Market	
Marketing Campaign	
Promotion	
Pricing Strategy	
Marketing Mix (4Ps)	
IVIAIRELING IVIIX (41 3)	
Branding	
Customer Retention	



TASK 3: Circle True or False: Marketing Knowledge Check

True / False – The marketing department is only responsible for advertising products to customers.

True / False – Market research helps businesses understand customer preferences and industry trends.

True / False – Customer needs refer to what businesses want to sell, not what customers actually want.

True / False – Market segmentation involves dividing the market into smaller groups based on shared characteristics.

True / False – A target market is a random group of people who might see a product.

True / False – A marketing campaign includes coordinated promotional activities across different platforms.

True / False – Promotion is only about offering discounts and sales.

True / False – Price skimming means starting with a low price to attract customers quickly.

True / False – The marketing mix includes product, price, place, and promotion.

True / False – Branding is about creating a unique identity for a product in the customer's mind.



6 2. Operations

The Operations department is responsible for producing goods and services efficiently. This includes managing the production process, ensuring quality standards are met, using resources effectively, and controlling costs.

Key responsibilities:

- Managing resources like machinery, materials and labour.
- Choosing production methods
- Ensuring products meet quality standards (quality assurance and control).
- Managing supply chains and stock levels (e.g. just-in-case).
- Improving productivity and efficiency (e.g. lean production).

Example: **Toyota** is famous for its just-in-time (JIT) production system, which reduces waste and improves efficiency.



Task 4: Using the internet find the definition for the

following key terms

Operations Department	
Production Process	
Inputs used in production	
1.Capital	
2. Land	
3 Labour	
Quality Assurance	
Quality Control	
Supply Chain	
Inventory	
Supply Chain	
Stock Management	
Just-in-Case (JIC)	
Just-in-Time (JIT):	
Lean Production	
Productivity	





Task 5: Fill in the blanks with the correct term from the word bank.

Word Bank

Operations Department, Production Process, Resources, Production Methods, Quality Assurance, Quality Control, Supply Chain, Stock Management, Productivity, Lean Production, Just-in-Time (JIT)

The	is responsible for producing goods and ser	vices effi	ciently. This	
includes managing	g the, ensuring quality standard	ds are me	t, using	
effectiv	vely, and controlling costs. Key responsibilities	s include	managing	
like ma	chinery, materials, and labour, choosing		_ methods,	
ensuring products	meet quality standards through	and	,	
managing the	and stock levels, and improving _		and	
efficiency through	An example of this is Toyota's	s famous		
production system	production system, which reduces waste and improves efficiency.			



2 3. Human Resources (HR)

The HR department manages the **people side of the business**. It ensures the business has the right number of staff with the right skills and supports employee performance, motivation, and development.

Key responsibilities:

- · Recruiting and selecting staff.
- Organising training and development (e.g. on-the-job training).
- Managing employee performance and appraisals.
- Developing organisational culture and leadership styles.
- Ensuring legal compliance with employment laws.

Example: Google is known for investing heavily in employee well-being, flexible working and skill development to retain top talent.



Task 5: Using the internet, find the definition for the following key terms

HR Department	
Recruitment and Selection	
Training and Development	
On-the-Job Training	
Employee Performance	
Appraisals	
Organisational Culture	
Leadership Styles (AQA)	
Employment engagement	
Motivation	
Labour productivity	





Task 6: Choose the correct answer

- 1. What is the main responsibility of the HR department?
- a. Managing the company's finances
- b. Managing the people side of the business
- c. Managing the company's marketing campaigns
- d.Managing the company's IT infrastructure
- 2. What does recruitment and selection involve?
 - a. Attracting and choosing the best candidates for job vacancies
 - b.Training employees
 - c.Managing employee performance
 - d.Ensuring legal compliance
- 3. What is on-the-job training?
 - a. Training that takes place in a classroom
 - b. Training that occurs while the employee is performing their job
 - c. Training that is done online
 - d. Training that is done during weekends
- 4. What is employee performance?
 - a. How well an employee carries out their duties and responsibilities
 - b. How well an employee socializes with colleagues
 - c. How well an employee manages their personal finances
 - d. How well an employee uses technology
- 5. What is an appraisal?
 - a.A formal assessment of an employee's performance
 - b.A casual conversation with an employee
 - c.A team-building exercise
 - d.A financial audit
- 6. What is organisational culture?
 - a. The shared values, beliefs, and norms that influence how people behave in an organisation
 - b.The physical layout of the office
 - c. The company's financial performance
 - d.The company's marketing strategy



7. What are leadership styles?

- a. The approach a manager takes in guiding and motivating employees
- b. The company's dress code
- c. The company's IT policies
- d.The company's financial goals

8. What is employee engagement?

- a. The emotional commitment an employee has to their organisation and its goals
- b. The number of hours an employee works
- c.The employee's salary
- d. The employee's job title

9. What is motivation?

- a. The internal and external factors that stimulate people to take actions that lead to achieving a goal
- b.The company's marketing strategy
- c. The company's financial performance
- d. The company's IT policies

10. What is labour productivity?

- a. A measure of output per worker or per hour worked
- b.The number of hours an employee works
- c.The employee's salary
- d. The employee's job title



4. Finance

The Finance department ensures that the business is **financially healthy**. It records, analyses, and reports financial information and supports decision-making by providing budgets, forecasts and performance measures.

Key responsibilities:

- Producing financial reports (e.g. profit and loss, cash flow).
- Managing budgets and setting financial objectives.
- Monitoring costs and profitability.
- · Making investment and funding decisions.
- Ensuring financial control and compliance.

AQA Link: Finance topics include calculating and analysing profit, break-even, budgets, cash flow, and assessing financial performance.

Example: A company like **Tesco** closely monitors sales revenue and retained profit to support its expansion and dividend policies.



Task 5: Using the internet, find the definition for the following key terms

Finance Department	
Financial Reports	
Profit and Loss Statement	
Cash Flow Statement	
Budgets	
Financial Objectives	
Fixed Costs	
Variable costs	
Investment Decisions	
Break-even	
Retained Profit	





Task 7: Read each sentence carefully and decide whether it is **True or False** based on your knowledge of financial terminology.

- 1. The Finance Department is responsible for managing a company's marketing campaigns.
 - → True or False
- 2. A Profit and Loss Statement shows a company's revenues and expenses over a specific period.
 - → True or False
- 3. The Cash Flow Statement only includes profits made by the business.
 - → True or False
- 4. Budgets help businesses plan and control their financial resources.
 - → True or False
- 5. Financial Objectives are unrelated to a company's overall strategy.
 - → True or False
- 6. Fixed Costs change depending on the level of production or sales.
 - → True or False
- 7. Variable Costs increase as production increases.
 - → True or False
- 8. Investment Decisions involve choosing how to allocate funds to generate future returns.
 - → True or False
- 9. A company reaches Break-even when its total revenue equals its total costs.
 - → True or False
- 10. Retained Profit is the portion of net income distributed to shareholders as dividends.
 - → True or False



S Final Thoughts

These four functions do not work in isolation — they are **interdependent**. For example, if the **Marketing** team launches a new product, the **Operations** team must be ready to produce it, **HR** may need to recruit staff to support it, and **Finance** must ensure the funds are available.

Understanding how each department works — and how they work together — is key to analysing and evaluating business performance at A Level.

External Influences - PESTLE



Watch the video how the external environment affects
Business. This will be helpful for your final mini research task

https://www.youtube.com/watch?v=-8y1aX0yNbw

Definition: PESTLE stands for:

P:		
S:		
E:		



Mini Research Task:

Choos	se a UK business. Explain how could each of the following affect it?
Busine	ess:
•	Political:
•	Economic:
•	Social:
•	Technological:
•	Legal:



Environmental/Etnical:		

Step 1 - Find the definition for the terms in the table below and all formulas relating to them

Step 2 – Complete the following calculations using the formulas above

	Definition	Formula
Revenue	Revenue is the total amount of money a business earns from its normal business activities, usually from the sale of goods and services, before any expenses are deducted.	Price per unit X number of units sold
Costs		
Profit		
Cash Flow		
Market growth		
Labour productivity		
Percentage change		
Market Capitalisation		



Revenue

- 1. A company sells 1,200 units of a product at £18 each. What is the total revenue?
- 2. A retailer sells 300 units of a product at £25 each. However, for orders over 200 units, a 10% discount is applied to the entire order. What is the total revenue?
- 3. A shop sells two types of items:
 150 units of Product A at £12 each
 100 units of Product B at £20 each
 What is the total revenue from both products?

Costs

- 1. A bakery has fixed monthly costs of £1,500 (rent, utilities) and variable costs of £2 per loaf of bread. If they bake 2,000 loaves in a month, what is the total cost?
- Supplier A offers 1,000 units at £4.20 each with free shipping.
 Supplier B offers the same units at £3.90 each but charges £350 for shipping.
 Which supplier offers the lower total cost?

Profit

- 1. A shop sells a toy for £15. It costs £9 to produce. What is the profit per toy?
- 2. A bakery sells 500 cupcakes at £2 each. Each cupcake costs £0.80 to make. The bakery also has £300 in fixed monthly costs. How much profit do they make?

Cash flow

- 1. Calculate the **net cash flow** for the month.
 - Cash sales: £8,000 • Credit sales: £5,000 • Wages: £2,000

• Rent: £1,500

- Purchase of stock (paid in cash): £2,500
- 2. Calculate the **Total Cash Outflows** for January.

A business has the following figures for January:

• Total Cash Inflows: £10,000

Total Cash Outflows: ?Net Cash Flow: £2,000



Market Growth

1. In 2023, the market size for electric bikes was £120 million. In 2024, it grew to £150 million.

Calculate the market growth rate (%) from 2023 to 2024.

Labour Productivity

- 1. A manufacturing company produces **10,000 units** in a week using **50 workers**. What is the **labour productivity** per worker?
- 2. In January, a factory produced 24,000 units using 60 workers. In February, it produced 30,000 units with 75 workers. In which month was labour productivity higher, and by how much?
- 3. A firm currently has a labour productivity of 200 units per worker.
 They aim to increase output by 20% without hiring more staff.
 How many units must they produce in total if they currently employ 40 workers?

Percentage Change

- 1. A clothing store's revenue increased from £50,000 in 2023 to £65,000 in 2024. What is the percentage change in revenue?
- 2. A company's profit fell from £120,000 to £90,000 over a year. Calculate the **percentage decrease** in profit.
- 3. A business had a **market share of 8%** last year. This year, its share rose to **10.4%**.

What is the **percentage increase** in market share?



Market Capitalisation

- 1. A company has **10 million shares** in issue, each trading at **£2.50**. What is the **market capitalisation** of the company?
- 2. A company has **5 million shares**. If the share price rises from **£3.00** to **£3.60**, by how much does the **market capitalisation increase**?
- 3. Company A has 15 million shares at £4.00 per share.
 Company B has 20 million shares at £2.80 per share.
 Which company has the higher market capitalisation, and by how much?



Basic Economic Principles

Here is a short list of basic economic principles that will support you in your business studies. Please read the below, watch the videos and answer the questions to develop your understanding.

1. Supply and Demand

- **Supply** is how much of a product or service businesses are willing to sell at different prices.
- **Demand** is how much of a product or service consumers want to buy at different prices.
- When demand for a product increases (e.g., a popular new phone), businesses might raise prices. If demand falls (e.g., a fashion trend fades), businesses may lower prices to sell stock.

Supply & Demand	Video Notes:
2000 CO.	
TELL MINESPASSES	



2. Competition

- Businesses compete with each other to sell goods and services. When there's
 a lot of competition, businesses may lower prices, improve quality, or innovate
 to attract customers.
- Competition can also lead to businesses differentiating themselves (e.g., offering unique products or excellent customer service) to stand out in the market.

Competition	Video Notes:



3. Inflation

- **Inflation** is the general rise in prices over time. If inflation is high, businesses might find their costs rising (e.g., for raw materials), which may lead them to raise prices.
- Inflation affects how much consumers can buy. When prices rise, they may buy less, which can reduce demand for businesses.

Inflation	Video Notes:

4. Interest Rates

- **Interest rates** are the cost of borrowing money. When interest rates are high, it's more expensive for businesses to borrow money to invest in growth (like buying new equipment or opening new stores).
- Low interest rates make borrowing cheaper, so businesses are more likely to invest and expand. However, low rates can also lead to inflation.

What are interest rates?	Video Notes:

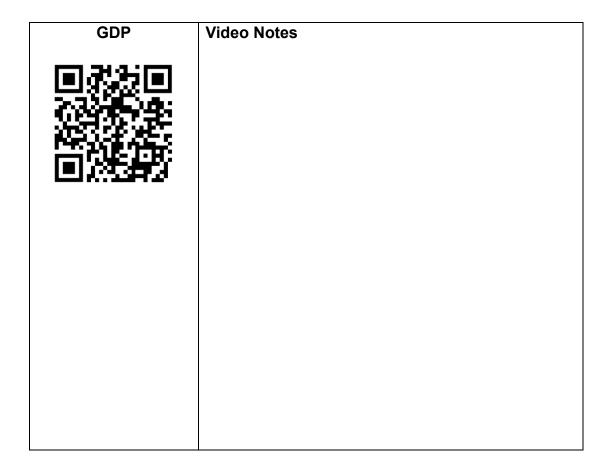
Impact of Interest Rate Changes	

5. Economic Growth & GDP

- **Economic Growth** refers to an increase in the value of goods and services produced in an economy over time. When the economy is growing, businesses tend to do better as more people have money to spend.
- Businesses may take advantage of growth by expanding operations, hiring more employees, and increasing production.
- Economic growth is often measured by GDP (gross domestic product). If the GDP figure is higher than it was in the previous month the economy is



- growing. Equally, if the GDP figure is lower than the previous month the economy is getting smaller.
- If economic growth falls for two consecutive quarters (i.e. two lots of 3 months, 6 months in total) the economy is said to be in recession



MINI QUIZ

Part 1: True or False Questions (1 mark each)

Write 'True' or 'False' next to each statement.

Higher interest rates make it easier for businesses to borrow money.

GDP stands for Gross Domestic Price

If supply exceeds demand, prices tend to fall.

When demand decreases, businesses often raise prices to maintain profit.

A rise in inflation can reduce the purchasing power of consumers.

Recession is a term used to describe when the economy is growing



If a business borrowed £10,000 from the bank at a 9% annual interest rate, the business would owe the bank £10 in interest at the end of the year

The UK Bank Rate (interest rate) is set by the Government



Top UK Start Ups 2023

In the UK, a significant number of startups face challenges in the early years. Studies show that a substantial percentage of new businesses fail within their first three years, with estimates suggesting around 60%. While not all businesses fail, the data indicates that sustained success is not guaranteed for most startups

Read the article about the Top UK Start Ups in 2023 and answer the questions below.

https://startups.co.uk/startups-100/2023/full-list/



Question 1 – Caura - Explain the motives benind why Dr Sai Lakshmi has set up Caruna
Question 2 – The Modern Milkman – What is unique about the service offered by the Modern Milkman? What do you think the age profile of potential customers is likely to be?
Question 3 – Homethings and Kind Bag - Explain how these companies are aiming their products towards environmentally conscious customers

Question 4 - not?	-Why is Unita	skr appealir	ng to studen	ts? Wou	ıld you siş	gn up for?	Why / why
years? Why	- Which start (? (think abou duct or servic	t potential c	ustomers, h	now the p			

