

SYLLABUS

**Cambridge International AS and A Level
Business Studies**

9707

For examination in June and November 2015



Changes to syllabus for 2015

This syllabus has been updated, but there are no significant changes.

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1. Introduction

1.1 Why choose Cambridge?

Recognition

Cambridge International Examinations is the world's largest provider of international education programmes and qualifications for learners aged 5 to 19. We are part of Cambridge Assessment, a department of the University of Cambridge, trusted for excellence in education. Our qualifications are recognised by the world's universities and employers.

Cambridge International AS and A Levels are recognised around the world by schools, universities and employers. The qualifications are accepted as proof of academic ability for entry to universities worldwide, though some courses do require specific subjects.

Cambridge International A Levels typically take two years to complete and offer a flexible course of study that gives learners the freedom to select subjects that are right for them.

Cambridge International AS Levels often represent the first half of an A Level course but may also be taken as a freestanding qualification. The content and difficulty of a Cambridge International AS Level examination is equivalent to the first half of a corresponding Cambridge International A Level. Cambridge AS Levels are accepted in all UK universities and carry half the weighting of an A Level. University course credit and advanced standing is often available for Cambridge International AS and A Levels in countries such as the USA and Canada.

Learn more at www.cie.org.uk/recognition

Excellence in education

Our mission is to deliver world-class international education through the provision of high-quality curricula, assessment and services.

More than 9000 schools are part of our Cambridge learning community. We support teachers in over 160 countries who offer their learners an international education based on our curricula and leading to our qualifications. Every year, thousands of learners use Cambridge qualifications to gain places at universities around the world.

Our syllabuses are reviewed and updated regularly so that they reflect the latest thinking of international experts and practitioners and take account of the different national contexts in which they are taught.

Cambridge programmes and qualifications are designed to support learners in becoming:

- **confident** in working with information and ideas – their own and those of others
- **responsible** for themselves, responsive to and respectful of others
- **reflective** as learners, developing their ability to learn
- **innovative** and equipped for new and future challenges
- **engaged** intellectually and socially, ready to make a difference.



Support for teachers

A wide range of support materials and resources is available for teachers and learners in Cambridge schools. Resources suit a variety of teaching methods in different international contexts. Through subject discussion forums and training, teachers can access the expert advice they need for teaching our qualifications. More details can be found in Section 2 of this syllabus and at www.cie.org.uk/teachers

Support for exams officers

Exams officers can trust in reliable, efficient administration of exam entries and excellent personal support from our customer services. Learn more at www.cie.org.uk/examsOfficers

Not-for-profit, part of the University of Cambridge

We are a not-for-profit organisation where the needs of the teachers and learners are at the core of what we do. We continually invest in educational research and respond to feedback from our customers in order to improve our qualifications, products and services.

Our systems for managing the provision of international qualifications and education programmes for learners aged 5 to 19 are certified as meeting the internationally recognised standard for quality management, ISO 9001:2008. Learn more at www.cie.org.uk/ISO9001

1.2 Why choose Cambridge International AS and A Level?

Cambridge International AS and A Levels are international in outlook, but retain a local relevance. The syllabuses provide opportunities for contextualised learning and the content has been created to suit a wide variety of schools, avoid cultural bias and develop essential lifelong skills, including creative thinking and problem-solving.

Our aim is to balance knowledge, understanding and skills in our programmes and qualifications to enable candidates to become effective learners and to provide a solid foundation for their continuing educational journey. Cambridge International AS and A Levels give learners building blocks for an individualised curriculum that develops their knowledge, understanding and skills.

Schools can offer almost any combination of 60 subjects and learners can specialise or study a range of subjects, ensuring a breadth of knowledge. Giving learners the power to choose helps motivate them throughout their studies.

Through our professional development courses and our support materials for Cambridge International AS and A Levels, we provide the tools to enable teachers to prepare learners to the best of their ability and work with us in the pursuit of excellence in education.

Cambridge International AS and A Levels have a proven reputation for preparing learners well for university, employment and life. They help develop the in-depth subject knowledge and understanding which are so important to universities and employers.



Learners studying Cambridge International AS and A Levels have the opportunities to:

- acquire an in-depth subject knowledge
- develop independent thinking skills
- apply knowledge and understanding to new as well as familiar situations
- handle and evaluate different types of information sources
- think logically and present ordered and coherent arguments
- make judgements, recommendations and decisions
- present reasoned explanations, understand implications and communicate them clearly and logically
- work and communicate in English.

Guided learning hours

Cambridge International A Level syllabuses are designed on the assumption that candidates have about 360 guided learning hours per subject over the duration of the course. Cambridge International AS Level syllabuses are designed on the assumption that candidates have about 180 guided learning hours per subject over the duration of the course. This is for guidance only and the number of hours required to gain the qualification may vary according to local curricular practice and the learners' prior experience of the subject.

1.3 Why choose Cambridge International AS and A Level Business Studies?

Cambridge International AS and A Level Business Studies are accepted by universities and employers as proof of essential knowledge and ability.

The Business Studies syllabus enables candidates to understand and appreciate the nature and scope of business, and the role business plays in society.

The syllabus covers economic, environmental, ethical, governmental, legal, social and technological issues, and encourages a critical understanding of organisations, the markets they serve and the process of adding value. Candidates examine the management of organisations and, in particular, the process of decision-making in the context of a dynamic external environment.

Prior learning

Candidates beginning this course are not expected to have studied Business Studies previously.

Progression

Cambridge International A Level Business Studies provides a suitable foundation for the study of Business Studies or related courses in higher education. Equally it is suitable for candidates intending to pursue careers or further study in business or management, or as part of a course of general education.

Cambridge International AS Level Business Studies constitutes the first half of the Cambridge International A Level course in Business Studies and therefore provides a suitable foundation for the study of Business Studies at Cambridge International A Level and thence for related courses in higher education. Depending on local university entrance requirements, it may permit or assist progression directly to university courses in Business Studies or some other subjects. It is also suitable for candidates intending to pursue careers or further study in business or management, or as part of a course of general education.



Teachers and Learners should take into account that, in some countries, universities advise that some combinations of subjects with similar content should be avoided where possible, for example Economics, Business Studies and Accounting. Learners are advised to contact universities in advance of making decisions about subject combinations that include two or more of these subjects.

1.4 Cambridge AICE (Advanced International Certificate of Education) Diploma

Cambridge AICE Diploma is the group award of the Cambridge International AS and A Level. It gives schools the opportunity to benefit from offering a broad and balanced curriculum by recognising the achievements of learners who pass examinations in three different curriculum groups:

- Mathematics and Science (Group 1)
- Languages (Group 2)
- Arts and Humanities (Group 3)

A Cambridge International A Level counts as a double-credit qualification and a Cambridge International AS Level counts as a single-credit qualification within the Cambridge AICE Diploma award framework.

To be considered for an AICE Diploma, a candidate must earn the equivalent of six credits by passing a combination of examinations at either double credit or single credit, with at least one course coming from each of the three curriculum groups.

Business Studies falls into Group 3, Arts and Humanities.

Credits gained from Cambridge AS Level Global Perspectives (8987) or Cambridge Pre-U Global Perspectives and Independent Research (9766) can be counted towards the Cambridge AICE Diploma, but candidates must also gain at least one credit from each of the three curriculum groups to be eligible for the award.

Learn more about the Cambridge AICE Diploma at www.cie.org.uk/qualifications/academic/uppersec/aice

The Cambridge AICE Diploma is awarded from examinations administered in the June and November series each year.

Detailed timetables are available from www.cie.org.uk/examsOfficers

1.5 How can I find out more?

If you are already a Cambridge school

You can make entries for this qualification through your usual channels. If you have any questions, please contact us at info@cie.org.uk

If you are not yet a Cambridge school

Learn about the benefits of becoming a Cambridge school at www.cie.org.uk/startcambridge. Email us at info@cie.org.uk to find out how your organisation can register to become a Cambridge school.



2. Teacher support

2.1 Support materials

Cambridge syllabuses, past question papers and examiner reports to cover the last examination series are on the *Syllabus and Support Materials* DVD, which we send to all Cambridge schools.

You can also go to our public website at www.cie.org.uk/alevel to download current and future syllabuses together with specimen papers or past question papers and examiner reports from one series.

For teachers at registered Cambridge schools a range of additional support materials for specific syllabuses is available online. For Teacher Support go to <http://teachers.cie.org.uk> (username and password required).

2.2 Resource lists

We work with publishers providing a range of resources for our syllabuses including textbooks, websites, CDs etc. Any endorsed, recommended and suggested resources are listed on both our public website and on Teacher Support.

The resource lists can be filtered to show all resources or just those which are endorsed or recommended by Cambridge. Resources endorsed by Cambridge go through a detailed quality assurance process and are written to align closely with the Cambridge syllabus they support.

2.3 Training

We offer a range of support activities for teachers to ensure they have the relevant knowledge and skills to deliver our qualifications. See www.cie.org.uk/events for further information.



3. Syllabus content at a glance

Candidates for Advanced Subsidiary Level should study the Core syllabus only.

Candidates for Advanced Level should study the Core syllabus and the Extended syllabus.

No previous study of the subject is assumed. The table below presents the content at a glance.

	Core topics	Extension topics
	<i>All candidates study these topics:</i>	<i>A Level candidates also study additional topics in:</i>
1. Business and its environment	<ul style="list-style-type: none"> Enterprise Business structure Size of business Business objectives Stakeholders in a business 	<ul style="list-style-type: none"> Business structure Size of business External influences on business activity
2. People in organisations	<ul style="list-style-type: none"> Management and leadership Motivation Human resource management 	<ul style="list-style-type: none"> Human resource management Organisation structure Business communication
3. Marketing	<ul style="list-style-type: none"> What is marketing? Market research The marketing mix 	<ul style="list-style-type: none"> Marketing planning Globalisation and international marketing
4. Operations and project management	<ul style="list-style-type: none"> The nature of operations Operations planning Inventory management 	<ul style="list-style-type: none"> Operations planning Capacity utilisation Lean production and quality management Project management
5. Finance and accounting	<ul style="list-style-type: none"> The need for business finance Sources of finance Forecasting cash flows and managing working capital Costs Accounting fundamentals 	<ul style="list-style-type: none"> Costs Budgets Contents of published accounts Analysis of published accounts Investment appraisal
6. Strategic management	<i>[No topics at AS Level]</i>	<ul style="list-style-type: none"> What is strategic management? Strategic analysis Strategic choice Strategic implementation



4. Assessment at a glance

Centres and candidates may choose to:

- Take all A and AS components at one exam series, leading to the full Advanced Level qualification (Papers 1, 2 and 3) or
- Take the AS components (Papers 1 and 2) at one exam series and, having received the AS qualification, take the additional A2 component (Paper 3) at a later series, leading to the full Advanced Level qualification or
- Take the AS components only (Papers 1 and 2) at one exam series, leading to the Advanced Subsidiary qualification.

Paper	Weighting	
	AS Level	A Level
Paper 1 (Based on Core topics) 1 hour 15 mins Section A: 4 short answer questions Section B: Essay on Core curriculum (1 from a choice of 3 questions)	20% 20%	10% 10%
Paper 2 (Based on Core topics) 1 hour 30 mins 2 data response questions	60%	30%
Paper 3 (Based on Core + Extension topics) 3 hours Case study: 5 questions + 1 essay (from a choice of 2)	–	50%

Availability

This syllabus is examined in the May/June examination series and the October/November examination series.

This syllabus is available to private candidates.

Detailed timetables are available from www.cie.org.uk/examsOfficers

Centres in the UK that receive government funding are advised to consult the Cambridge website www.cie.org.uk for the latest information before beginning to teach this syllabus.

Combining this with other syllabuses

Candidates can combine this syllabus in an examination series with any other Cambridge syllabus, except:

- syllabuses with the same title at the same level
- 9756 Cambridge International A Level H2 Management of Business (Singapore)
- 9771 Cambridge Pre-U Business and Management



5. Syllabus aims and assessment objectives

5.1 Aims of the syllabus

The syllabus is intended to encourage candidates to:

1. Understand and appreciate the nature and scope of business, and the role of business in society.
2. Develop critical understanding of organisations, the markets they serve and the process of adding value. This should involve consideration of the internal workings and management of organisations and, in particular, the process of decision-making in a dynamic external environment.
3. Be aware that business behaviour can be studied from the perspective of a range of stakeholders including customer, manager, creditor, owner/shareholder and employee.
4. Be aware of the economic, environmental, ethical, governmental, legal, social and technological issues associated with business activity.
5. Develop skills in:
 - decision-making and problem solving in the light of evaluation;
 - the quantification and management of information, where appropriate;
 - effective communication.

The emphasis should be on the *application* of concepts and issues to the local context (i.e. the candidate's own country), where appropriate.

5.2 Assessment objectives

Candidates are expected to demonstrate the following skills:

AO1: **Knowledge and critical understanding** of the specified content.

AO2: **Application** of this knowledge and understanding to problems and issues which are from both familiar and unfamiliar situations.

AO3: **Analysis** of problems, issues and situations by

- distinguishing between statements of fact, statements of value and hypothetical statements;
- making valid inferences from material presented;
- examining the implications of a hypothesis;
- organising ideas;
- making valid generalisations.

AO4: **Evaluation** of reliability of material, checking that conclusions drawn are consistent with given information and discriminating between alternative explanations, and assessing the role of the main concepts and models in business analysis.



Specification grid

The marks available for each group of skills are as follows:

	Knowledge and critical understanding	Application	Analysis	Evaluation	Total
Paper 1	12 ± 4	12 ± 4	8 ± 4	8 ± 4	40
Paper 2	18 ± 4	18 ± 4	12 ± 4	12 ± 4	60
Paper 3	20 ± 4	20 ± 4	30 ± 4	30 ± 4	100



6. Syllabus content

1. Business and its environment

This section is concerned with understanding of the purpose and nature of business activity and the factors that influence and constrain business behaviour and decisions. It provides the basic framework around which the other sections of the syllabus are developed. It also provides a means for integrating business activities, which should always be seen as a whole rather than as individual parts. Central to the understanding of Business and its environment is the idea that the world in which business operates is constantly changing and this requires businesses, if they are to be successful, to adapt and respond to these changes.

2. People in organisations

This section focuses on the significance of different management approaches in relation to managing people at work. Contrasting management ideas are analysed, and the different organisation structures a business can adopt are assessed. Candidates should gain an understanding of opportunities and constraints in relation to managing people in organisations. The central role of the management of people in helping business achieve efficiency and competitiveness should be emphasised. Teaching can use local employment conditions, working practices and employment laws as supporting material. Country-specific details will not be examined, because what is important is an understanding of the main concepts involved in the management of people and how they relate to a business.

3. Marketing

This section develops an understanding of the importance of Marketing to businesses and how it influences their competitiveness. Knowledge of marketing principles and techniques is then used to analyse situations and solve problems. The relationship between Marketing and other business functions is important. Marketing should be seen as one strand of business decisions which are likely to also have an impact on other functional areas, such as finance and human resource management. These areas will have an impact on marketing decisions too, such as restricting marketing budgets and controls which limit such areas as advertising. Central to the understanding of marketing is the role and influence of the customer, the importance of market research and the need for an integrated marketing mix as a tool to achieve marketing objectives.

4. Operations and project management

Operations management is the discipline of how resources are managed to achieve efficient *on-going* production/provision of goods and services. Project management is the discipline of planning, organising and managing resources to bring about the successful completion of *one-off* projects. The curriculum promotes understanding of operational and project decisions in managing a business in primary, secondary and tertiary sectors. Operations and project management decisions should be linked with other functional areas of a business, such as marketing and people. It can usefully be taught alongside marketing, since many of the ideas are inter-linked. Operations and project decisions should be seen in the context of the other factors influencing a business, such as available finance, impact on employees and external factors. Although operations management is often seen in the context of manufacturing processes, the ideas apply equally well in *services* such as retailing.

5. Finance and accounting

This section introduces candidates to the importance of the management of finance, the keeping of and analysis of accounts, and the assessment of businesses financial performance. Finance and accounting should be seen in the context of business owners/managers/investors making decisions, rather than from the perspective of the accountant. So, for example, it is the *use* of accounting information to decision makers that is stressed, not the actual construction of accounting statements.



6. Strategic management

The aim in this section is to emphasise the integrated nature of strategic business decisions and the ways businesses implement strategic change successfully. Business strategy is concerned with the key decisions that need to be made by businesses of all sizes to survive and succeed in the long term. Strategic management is, therefore, the management of the long term activities of a business, and this includes the careful integration of: strategic analysis (where is the business now?), strategic choice (identifying and deciding between options) and strategic implementation (planning for and managing change).



6.1 Core syllabus

1AS: Business and its environment

The Cambridge International AS Level material has its emphasis on an understanding of key concepts and their application to business situations, although some analysis of some issues is expected together with evaluation. Emphasis should be on the importance of enterprise, business objectives/structure/size and stakeholders. All sizes of businesses should be considered (including multinationals). The word 'environment' is used here in its broadest sense, i.e. not just the physical environment.

1AS.1 Enterprise

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|--|---|
| <ul style="list-style-type: none">• The nature of business activity• The role of the entrepreneur• Social enterprise | <ul style="list-style-type: none">• Purpose of business activity• The concept of adding value• The nature of economic activity, the problem of choice and opportunity cost• Business environment is dynamic• What a business needs to succeed• Why many businesses fail early on• Qualities an entrepreneur is likely to need for success• The role of business enterprise in the development of a business and a country• The range and aims of social enterprises• Triple bottom line – economic (financial), social and environmental targets |
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1AS.2 Business structure

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| <ul style="list-style-type: none">• Economic sectors• Legal structures | <ul style="list-style-type: none">• Primary, secondary and tertiary sector businesses• The public and private sectors• Main features of different types of legal structure, including ability to raise finance• Appropriateness of legal structure: sole trader, partnership, private limited companies, public limited companies, franchises, co-operatives• Concept of limited liability and its importance• Problems resulting from changing from one legal structure to another |
|---|--|



1AS.3 Size of business	
<ul style="list-style-type: none"> • Measurements of business size • Significance of small businesses 	<ul style="list-style-type: none"> • Different methods of measuring the size of a business • Advantages and disadvantages of being a small business • Strengths and weaknesses of family businesses • The importance of small businesses and their role in the economy • The role of small businesses as part of the industry structure in some industries
<ul style="list-style-type: none"> • Internal growth 	<ul style="list-style-type: none"> • Why and how a business might grow internally
1AS.4 Business objectives	
<ul style="list-style-type: none"> • Business objectives in the private and sector public sectors 	<ul style="list-style-type: none"> • The nature and importance of business objectives at corporate, departmental and individual levels • Corporate responsibility as a business objective • Relationship between mission statement, objectives, strategy and tactics
<ul style="list-style-type: none"> • Objectives and business decisions 	<ul style="list-style-type: none"> • The different stages of business decision making and the role of objectives in the stages of business decision making • How objectives might change over time • Translation of objectives into targets and budgets • The communication of objectives and their likely impact on the workforce • How ethics may influence business objectives and activities
1AS.5 Stakeholders in a business	
	<ul style="list-style-type: none"> • Groups involved in business activity • Roles, rights and responsibilities of the stakeholders • Impact of business decisions/actions on stakeholders, and their reactions • How and why a business needs to be accountable to its stakeholders • How conflict might arise from stakeholders having different aims • How changing business objectives might affect its stakeholders



2AS: People in organisations

At Cambridge International AS Level the emphasis is on understanding and applying the concepts of people in organisations, with some analysis and evaluation of related problems. The role of various management, leadership and motivation theories should be developed in a practical way. Knowledge of specific national laws and regulations applying to conditions of work is not required.

2AS.1 Management and leadership

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| <ul style="list-style-type: none">• Management and managers• Leadership• Choice of leadership style• Emotional Intelligence (EQ) | <ul style="list-style-type: none">• The functions of management, including Mintzberg's roles of management• Functions, roles and styles• The purpose of leadership• Leadership roles in business (directors, managers, supervisors, worker representatives)• Qualities of a good leader• Leadership styles: autocratic, democratic, laissez faire• McGregor's leadership styles• Goleman's four competencies of emotional intelligence: self-awareness, social awareness, self-management and social skills |
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2AS.2 Motivation

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| <ul style="list-style-type: none">• Motivation as a tool of management and leadership• Human needs• Motivation theories• Motivation methods in practice: financial motivators, non-financial motivators | <ul style="list-style-type: none">• The need to motivate employees to achieve the objectives of a business• A simple explanation of human need• How human needs may or may not be satisfied at work• Ideas of the main content theorists (Maslow, Taylor, Mayo, Herzberg) and process theorists (McClelland, Vroom)• The theories in practical situations• Different payment methods (salary, piece rates, commission, bonuses, performance related pay)• Different types of non-financial motivators (training, induction, opportunities for promotion, development, status, job re-design, team working, empowerment, job enrichment, participation, job rotation, perks)• Ways in which employees can participate in the management and control of business activity |
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**2AS.3 Human resource management (HRM)**

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|--|---|
| <ul style="list-style-type: none">• Purpose and roles of HRM• Recruitment and selection• Job descriptions, person specifications, job advertisements• Employment contracts• Disciplinary procedures• Redundancy and dismissal• Staff morale and welfare• Staff training | <ul style="list-style-type: none">• The role of HRM in meeting organisation objectives: recruitment, selection, training, induction, advice, guidance, workforce planning• Labour turnover, methods of recruitment and selection• Purposes of job descriptions, person specifications and job advertisements• Main features of a contract of employment• The importance of disciplinary procedures• Difference between redundancy and dismissal• Relationship between HRM, staff morale and welfare in a business• The purpose of staff development/training as a means of securing required skills and motivating the workforce |
|--|---|



3AS: Marketing

The Cambridge International AS Level involves the development of knowledge and application of that knowledge to business situations with some analysis and evaluation of marketing problems. There is an emphasis on the process of finding and satisfying customers, with the focus also on how marketing objectives can be met by understanding, applying and adapting the marketing mix.

3AS.1 What is marketing?

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| <ul style="list-style-type: none">• Role of marketing and its relationship with other business activities• Supply and demand• Features of markets: location, size, share, competitors, growth• Industrial and consumer markets• Niche versus mass marketing• Segmentation methods | <ul style="list-style-type: none">• The link between marketing objectives and corporate objectives• Marketing objectives• Factors influencing the supply and demand for the products/services of a business• Interactions between price, supply and demand• How markets may differ: such as consumer/producer markets; national, regional and international markets• Difference between product and customer orientation• Problems associated with measuring market share and market growth• Implications of changes in market share and growth• Classification of products• How marketing might differ for different types of goods and services• Product differentiation and USP (Unique Selling Point)• Tactics such as mass versus niche marketing, market segmentation, product differentiation and portfolio analysis as ways of achieving marketing objectives |
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3AS.2 Market research

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|--|---|
| <ul style="list-style-type: none">• Primary and secondary research• Methods of information gathering• Sources of information• Sampling methods• Market research results• Cost effectiveness | <ul style="list-style-type: none">• Purpose of market research in determining customer characteristics, wants and needs• Distinction between primary and secondary research, desk and field research, and the main features of each• Printed, paid for and web based sources of information• Random, stratified and quota sampling; the appropriateness of each to given situations• Limitations of sampling• The reliability of data collection• Analysis of results obtained from market research• Presentation of information• Cost effectiveness of market research in given situations (treated descriptively) |
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3AS.3 The marketing mix

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| <ul style="list-style-type: none"> • The elements of the marketing mix (the 4Ps) • The role of the customer (the 4Cs) • Product • Product Life Cycle • Types of pricing strategies • Price elasticity of demand • Promotion methods • Channels of distribution • Using the Internet for the 4Ps/4Cs • Consistency in the marketing mix | <ul style="list-style-type: none"> • The 4Ps: Product, Price, Promotion, Place (distribution channels)
[Note: some textbooks have 5Ps, 7Ps or 8Ps, but they all carry similar ideas] • The relationship between the customer and the business (the 4Cs): Customer solution, Cost to customer, Communication with customer, Convenience to customer • Ways in which customer relations can be improved • How the 4Cs relate to the 4Ps • Goods, services and products that are a blend of both • Recognising the product as a bundle of tangible and intangible attributes • The importance of product development • How Product Life Cycle stage influences marketing activities • Decisions about extension strategies • Use and value of alternative pricing strategies including competitive, penetration, skimming, price discrimination, cost-based pricing • Determining price elasticity of demand and suitable prices • Above the line and below the line promotion • Types of packaging • Branding as part of product/promotion • Choosing between alternative types of channel of distribution • Online advertising, catalogues, sales, dynamic pricing, distribution (download of digital products), e-commerce • The need for the marketing mix to be consistent with the business, the product type and the market |
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4AS: Operations and project management

At Cambridge International AS Level, the emphasis is on understanding and applying the concepts of Operations Management, with some analysis and evaluation of related problems. The emphasis is on the way organisations use inputs and manage business processes efficiently.

4AS.1 The nature of operations

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| <ul style="list-style-type: none">Inputs, outputs and the transformation processEffectiveness, efficiency and productivityValue addedCapital versus labour intensity | <ul style="list-style-type: none">Operations encompasses products and servicesProcess: from idea/need to final product/serviceResources: land, labour, capital (including intellectual capital)Difference between effectiveness and efficiencyProductivity: measuring efficiencyHow 'value added' is linked to marketing, the operations process and operations decisionsBenefits and limitations of capital and labour intensive processes |
|---|---|

4AS.2 Operations planning

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| <ul style="list-style-type: none">Operations decisionsFlexibility and innovationOperations methods: job, batch, flow, mass customisationLocationScale of operation | <ul style="list-style-type: none">The influence of marketing, availability of resources and technology (e.g. CAD and CAM) on operations decisions [Note: Candidates are expected to know what is meant by Computer Aided Design and Computer Aided Manufacture. They must understand how CAD and CAM can be applied in a business, including the advantages and disadvantages.]The need for flexibility with regard to volume, delivery time and specificationProcess innovationDifferences between methods – advantages and disadvantages of each methodProblems of changing from one method to anotherFactors that determine (a) location and (b) relocation: geographic, demographic, legal, political, resources, infrastructure, marketingDifferences between local, regional, national, international location decisionsFactors that influence the scale of a businessCauses and examples of internal/external economies/diseconomies of scaleLinks between economies of scale and unit costs |
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4AS.3 Inventory management

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| <ul style="list-style-type: none">Purpose, costs and benefits of inventoryManaging inventory | <ul style="list-style-type: none">Purpose of inventory within a business [raw materials, work in progress, finished products]Costs and benefits of holding inventoryBuffer inventory, reorder level and lead timeConstruction and interpretation of simple inventory control chartsInventory control methods including buffer inventory and Just in Time (JIT) <p>[Note: While candidates should appreciate the need for inventory control and the general methods which may be employed, the mathematics of the methods will not be examined.]</p> |
|---|---|



5AS: Finance and accounting

At Cambridge International AS Level the emphasis is on finance, the sources of finance and a basic understanding of published accounts. Candidates will need to understand the concepts of finance and cash flow and apply these to practical situations. Analysis and evaluation of tactical solutions to finance and cash flow problems will be expected.

5AS.1 The need for business finance

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| <ul style="list-style-type: none"> Start up capital, capital for expansion Working capital | <ul style="list-style-type: none"> Why businesses need finance to start up and to grow Why different needs for finance might mean different sources are appropriate The meaning and significance of working capital as a source of finance Significance of the distinction between revenue expenditure and capital expenditure |
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5AS.2 Sources of finance

- | | |
|---|--|
| <ul style="list-style-type: none"> Legal structure and sources of finance Short term finance and long term finance Internal sources External sources Factors influencing the sources of finance Selecting the source of finance | <ul style="list-style-type: none"> The relationship between the legal structure of a business and its sources of finance Distinction between short and long term sources of finance Internal sources of finance: retained profits, sale of assets, working capital External sources of finance: share capital (including Stock Exchanges), venture capital, overdrafts, loans, mortgages, debentures, Government grants and loans, new partners Factors influencing the choice of sources of finance in a given situation: cost, flexibility, need to retain control, the use to which it is put The appropriateness of each possible source in a given situation [excluding, at Cambridge International AS Level, the application of the gearing ratio] |
|---|--|

5AS.3 Forecasting cash flows and managing working capital

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|--|--|
| <ul style="list-style-type: none"> Purposes of cash flow forecasts Cash flow forecasts in practice Methods of improving cash flow | <ul style="list-style-type: none"> Difference between cash and profits The need to hold a suitable level of cash within a business, and the consequences of not doing so Uses of cash flow forecasts Construction of cash flow forecasts Interpretation of simple cash flow forecasts from given data Amendment of cash flow forecasts in the light of changes in business circumstances How debtors, reducing costs and/or extending credit periods can improve cash flow Further methods of improving cash flows: debt factoring, sale and leaseback, leasing Recognition of situations in which the various methods of improving cash flow can be used |
|--|--|



5AS.4 Costs	
<ul style="list-style-type: none">• Cost information• Uses of cost information• Break-even analysis	<ul style="list-style-type: none">• The need for accurate cost data• Types of costs: fixed, variable, marginal; direct and indirect• Problems of trying to allocate costs in given situations• Cost information for decision making purposes, e.g. average, marginal, total costs• How costs can be used for pricing decisions• How an analysis of costs can help in the calculation of payments for resources• How costs can be used to monitor and improve business performance, including using cost information to calculate profits• Determining the minimum level of production needed to break even or the profit made• Calculation of the margin of safety• Uses and limitations of break-even analysis
5AS.5 Accounting fundamentals	
<ul style="list-style-type: none">• Income statement• Balance sheet• Liquidity ratios• Profitability ratios• Practical use of ratio analysis• Main users of accounts• Limitations of published accounts	<ul style="list-style-type: none">• Contents of an income statement including: cost of sales, gross profit, profit (before tax) for the year, retained profit• Contents of a balance sheet including: non-current assets, current assets, current liabilities, working capital, net assets, non-current liabilities, reserves and equity• Acid test ratio, current ratio• Gross profit margin, net profit margin• How each of these ratios is used• Reasons for the results obtained• Ways that businesses might try to improve ratio results• Comparison of ratios results between businesses• Limitations of these accounting ratios• Identification of the kind of information that individual stakeholder groups might seek• Limitations of the usefulness of published accounts: historical, may not reflect the future, may be out of date, does not reflect qualitative aspects of a business, possibility of 'window dressing', may not have details of the performance of individual parts of a business• Distinction between financial and management accounting <p>[NB Knowledge of specific Accounting Standards is not required. International accounting terminology will be used, e.g. income statement rather than profit and loss account – see Appendix.]</p>



6.2 Extended syllabus

1AL: Business and its environment

The Cambridge International A Level includes the content and skills of the Cambridge International AS Level. The aim at Cambridge International A Level is to use awareness of the key concepts to make decisions and develop plans of action that would allow a business to react positively to external changes. Some knowledge will be directly examined. Emphasis is on recognising the potential conflict between objectives, and the resolution of such conflicts. There should be an appreciation of the nature of the uncertain business environment and the development of business plans of action which aim to respond effectively to the changing business environment. Knowledge of country specific laws and customs are not required, since the emphasis is on understanding how businesses might have to change their behaviour when influenced by such constraints.

1AL.1 Enterprise

No topics beyond Cambridge International AS Level.

1AL.2 Business structure

- | | |
|--|---|
| <ul style="list-style-type: none"> Local, national and multinational businesses Multinationals Privatisation/nationalisation Public/private partnerships | <ul style="list-style-type: none"> Main differences between local, national and multinational businesses The growing importance of international trading links and their impact on business activity Benefits and disadvantages that a multinational might bring to a country Possible relationships between multinationals and the state Advantages and disadvantages of privatisation or nationalisation in a given situation The nature of public/private partnerships including private finance initiatives (PFI) |
|--|---|

1AL.3 Size of business

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|---|--|
| <ul style="list-style-type: none"> External growth | <ul style="list-style-type: none"> The different types of merger and takeover: horizontal, vertical (backward and forward), conglomerate, friendly merger, hostile takeover Impact of a merger on the various stakeholders Why a merger may or may not achieve objectives The importance of joint ventures and strategic alliances as methods of external growth |
|---|--|

1AL.4 Business objectives

No topics beyond Cambridge International AS Level.

1AL.5 Stakeholders in a business

No topics beyond Cambridge International AS Level.



1AL.6 External influences on business activity

- | | |
|---|--|
| <ul style="list-style-type: none">• Economic constraints and enablers | <ul style="list-style-type: none">• How the state might intervene to help businesses (small and large)• How the state might intervene to constrain businesses (small and large)• How the state might deal with market failure• The key macroeconomic objectives of governments: low unemployment, low inflation, stable exchange rates, growth, transfer of wealth• How these macroeconomic objectives can have an impact on business activity• How a government might place a different emphasis on macroeconomic objectives from time to time• Policy instruments used to achieve macroeconomic objectives, e.g. monetary, fiscal and exchange rate policies• How changes in macroeconomic performance and policies may affect business behaviour• The impact of and issues associated with corporate social responsibility (CSR), e.g. accounting practices, paying incentives for the award of contracts |
| <ul style="list-style-type: none">• Political and legal | <ul style="list-style-type: none">• How the Government and the law might seek to control: employment, conditions of work (including health and safety), minimum wage, marketing behaviour, competition, location decisions, particular goods and services• How international agreements might have an impact on businesses |
| <ul style="list-style-type: none">• Technological (including the Internet)• Other businesses | <ul style="list-style-type: none">• Problems of introducing technological change• How businesses are constrained by and rely on other businesses |
| <ul style="list-style-type: none">• Social | <ul style="list-style-type: none">• Why businesses need to consider the needs of the community including pressure groups |
| <ul style="list-style-type: none">• Demographic | <ul style="list-style-type: none">• How a business might react to a given demographic change |
| <ul style="list-style-type: none">• Environmental | <ul style="list-style-type: none">• How (physical) environmental issues might influence business behaviour |



2AL: People in organisations

The Cambridge International A Level includes the content and skills of the Cambridge International AS Level. Although some further knowledge and application of that knowledge will be directly tested at Cambridge International A Level, the emphasis is on the interrelationship between organisation structure, leadership style and management of people within a business. Candidates will be expected to evaluate the implications of these for the effective planning and management of human resources.

2AL.1 Management and leadership

No topics beyond Cambridge International AS Level.

2AL.2 Motivation

No topics beyond Cambridge International AS Level.

2AL.3 Human resource management (HRM)

- | | |
|--|---|
| <ul style="list-style-type: none"> • Measures of employee performance • Management by objectives • Labour legislation • Co-operation between management and workforce • Workforce planning • Role of trades unions in HRM • Negotiation • Single union deals | <ul style="list-style-type: none"> • The measurement, causes and consequences of poor employee performance • Strategies for improving employee performance • The implementation and usefulness of management by objectives • The need for labour legislation and the broad principles that often underlie it • How co-operation between management and the workforce can be of benefit to both • Reasons for and role of a workforce plan • Purpose and value of trade unions • Reasons for joining a trade union • Main processes involved in negotiation; situations in which it might be effective • Collective bargaining • The processes involved in conciliation and arbitration; situations in which either might be useful • The meaning of single union deals and why they might be used |
|--|---|



2AL.4 Organisation structure	
<ul style="list-style-type: none">• Relationship between business objectives, people and organisational structure• Types of structure: functional, hierarchical (flat and narrow), matrix• Formal and informal organisations• Delegation and accountability• Control, authority and trust• Centralisation• Line and staff	<ul style="list-style-type: none">• Purpose and attributes of an organisational structure such as flexibility, meet the needs of the business, permit growth and development• Advantages and disadvantages of the different types of structure• Why some organisations are structured by product and others by function or geographical area• The ways structures change with growth• Features of a formal structure: levels of hierarchy, chain of command, span of control, responsibility, authority, delegation/accountability, centralised/decentralised• Relationship between delegation and accountability• Processes of accountability in a business• Advantages and disadvantages of delegating• The impact of delegation on motivation• Relationship between span of control and levels of hierarchy• Difference between authority and responsibility• Conflicts between control and trust that might arise when delegating• Advantages and disadvantages of centralisation for stakeholders• Examples of and distinctions between line and staff management; conflict between them
2AL.5 Business communication	
<ul style="list-style-type: none">• Purposes of communication• Methods of communication• Channels of communication• Barriers to communication• The role of management in facilitating communication	<ul style="list-style-type: none">• Situations in which communication is essential• Standard methods of communication: interpersonal, general to and within groups; spoken, written, electronic• Strengths and weaknesses of the different methods of communication• How communication works within an organisation• Difference between one- and two-way communication; difference between vertical and horizontal communication• Problems associated with different channels of communication• Barriers to communication: attitudes, perceptions, noise, language, inappropriate medium, etc.• The role of informal communications within a business• Ways in which communication can influence the efficiency of a business• Ways of improving communication in a given situation



3AL: Marketing

The Cambridge International A Level includes the content and skills of the Cambridge International AS Level. Although some additional knowledge and application of that knowledge will be directly tested at Cambridge International A Level, the emphasis is on using marketing concepts to develop strategies and evaluate changing situations/options.

3AL.1 What is marketing?

No topics beyond Cambridge International AS Level.

3AL.2 Market research

No topics beyond Cambridge International AS Level.

3AL.3 The marketing mix

No topics beyond Cambridge International AS Level.

3AL.4 Marketing planning

- | | |
|---|--|
| <ul style="list-style-type: none"> • Market planning • Elasticity
 • Product development
 • Promotional campaigns
 • Forecasting
 • Coordinated marketing mix | <ul style="list-style-type: none"> • The detailed marketing plan; associated benefits • Income elasticity, promotional elasticity, cross elasticity; usefulness of the concept of elasticity in its various forms • Product development as a process from original conception to launch and beyond • Sources of new ideas for product development • The importance of Research and Development • Applying the ideas of AIDA and DAGMAR in choosing a promotional campaign • The need to forecast marketing data • Calculation and use of moving average method to forecast sales • The need for and development of a co-ordinated marketing mix • Development of marketing strategies that are focused towards achieving specific marketing objectives |
|---|--|

3AL.5 Globalisation and international marketing

- | | |
|---|--|
| <ul style="list-style-type: none"> • Globalisation
 • Strategies for international marketing | <ul style="list-style-type: none"> • Economic globalisation within the context of the broader concept of 'globalisation' • The implications for marketing of increased globalisation • The importance of international marketing for a specific business/situation • International markets – identification, selection and entry • Whether a business in a given situation should develop an international market through pan-global marketing or maintain local differences • Choosing a strategy, in a given situation, to develop a global market • Factors influencing the method of entry into international markets |
|---|--|



4AL: Operations and project management

The Cambridge International A Level includes the content and skills of the Cambridge International AS Level. Although additional knowledge and application of this knowledge will be directly tested at Cambridge International A Level, the emphasis is on using operations and project management concepts and techniques to develop strategies, improve efficiency and evaluate situations/options.

4AL.1 The nature of operations

No topics beyond Cambridge International AS Level.

4AL.2 Operations planning

- | | |
|--|--|
| <ul style="list-style-type: none">Enterprise resource planning (ERP) | <ul style="list-style-type: none">Main features of an ERP programmeHow ERP can improve a business' efficiency in relation to: inventory control, costing and pricing, capacity utilisation, responses to change, management information |
|--|--|

4AL.3 Inventory management

No topics beyond Cambridge International AS Level.

4AL.4 Capacity utilisation

- | | |
|--|---|
| <ul style="list-style-type: none">Measurement and significance of capacityIncreasing capacity utilisationOutsourcing | <ul style="list-style-type: none">How capacity utilisation can be measuredImplications of operating under or over maximum capacityChoosing methods of improving capacity utilisation (e.g. through rationalisation, sub-contracting)Benefits of outsourcing in a given situation |
|--|---|

4AL.5 Lean production and quality management

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|---|---|
| <ul style="list-style-type: none">Lean productionKaizenJust in TimeQuality control and assuranceTotal Quality ManagementBenchmarking | <ul style="list-style-type: none">Links between lean production and inventory control, quality, employees roles, capacity management and efficiencyKaizen (continuous improvement) in the context of lean productionJIT in the context of lean productionImplications and justification of adopting a JIT approachQuality in terms of what the customer demandsThe importance of quality assuranceMethods of quality control: inspection, testing, random sampling, involving the workforce in quality controlThe link between quality and trainingAims and effectiveness of TQMThe potential of Kaizen in TQMThe importance of benchmarking in quality control |
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**4AL.6 Project management**

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| <ul style="list-style-type: none">• The need for projects and project management• Network diagrams• Critical Path Analysis (CPA) | <ul style="list-style-type: none">• Projects as a response to the need for change• Reasons and impact of project failure, including examples• Main elements of a network diagram: activities, dummy activities, nodes• Construction of a network from given data• Finding the minimum project duration and the critical path• Calculation of total and free float• Interpretation of the results of the analysis of a network• How minimum duration and floats might be used in project management• CPA as a management tool |
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5AL: Finance and accounting

The Cambridge International A Level includes the content and skills of the Cambridge International AS Level. The focus at Cambridge International A Level is on using accounting information to aid strategic decision making and to evaluate the performance of a business and business investment projects in financial terms.

5AL.1 The need for business finance

No topics beyond Cambridge International AS Level.

5AL.2 Sources of finance

No topics beyond Cambridge International AS Level.

5AL.3 Forecasting cash flows and managing working capital

No topics beyond Cambridge International AS Level.

5AL.4 Costs

- | | |
|---|---|
| <ul style="list-style-type: none">Approaches to costing: absorption, contributionSolutions to costing problems | <ul style="list-style-type: none">Differences between absorption and contribution costingCircumstances in which the absorption costing method is appropriateThe nature of the technique of contribution costingThe difference between contribution and profitLimitations of contribution costingSituations in which contribution costing would be and would not be usedSolution of numerical problems involving costing methodsUsing contribution costing to help with 'accept/reject' order decisions |
|---|---|

5AL.5 Accounting fundamentals

No topics beyond Cambridge International AS Level.

5AL.6 Budgets

- | | |
|---|---|
| <ul style="list-style-type: none">The purposes of budgetsVariiances: adverse, favourable | <ul style="list-style-type: none">PerformanceBenefits and drawbacks from the use of budgetsHow budgets might be producedUse of flexible budgets and zero budgetingPurposes of budgets for allocating resources, controlling and monitoring of a businessRole of budgets in appraising businessThe meaning of variancesCalculation and interpretation of variances [but not price/volume variances] |
|---|---|



5AL.7 Contents of published accounts	
<ul style="list-style-type: none"> • The income statement • The balance sheet • Intangible assets • Inventory valuation • Depreciation 	<ul style="list-style-type: none"> • Construction or amendment of an income statement from given data • The impact on the income statement of a given change • Construction or amendment of a balance sheet from given data • The relationships between items in the income statement and the balance sheet • How intangible assets are treated in the balance sheet • The difficulties of valuing inventory • The net realisable value method [But LIFO and FIFO will not be examined] • The role of depreciation in the accounts • The impact of depreciation (straight line method only) on the balance sheet and the income statement • The impact on the balance sheet of a given change in valuing intangible assets or inventories
5AL.8 Analysis of published accounts	
<ul style="list-style-type: none"> • Profitability ratio • Financial efficiency ratios • Gearing • Investor ratios • Practical use of ratio analysis 	<ul style="list-style-type: none"> • Return on capital employed • Inventory turnover, days' sales in trade receivables • All usual definitions of gearing are acceptable, e.g. Debt/ Equity and Debt/(Debt + Equity). It is the interpretation of the calculation that is important – including for selection of source of finance • Dividend yield, dividend cover, price/earnings ratio • How each of these ratios is used • Reasons for the results obtained • Strategies that businesses might adopt to improve ratio results • Comparison of ratios results between businesses • Limitations of these accounting ratios
5AL.9 Investment appraisal	
<ul style="list-style-type: none"> • The concept of investment appraisal • Forecasting cash flows • Basic methods: payback, average rate of return (ARR) • Discounted cash flow methods: discounted payback, net present value (NPV), internal rate of return (IRR) • Qualitative factors in investment appraisal 	<ul style="list-style-type: none"> • The need for investment appraisal • The significance of risk in investment decisions • Interpretation of a cash flow forecast • Uncertainty in cash flow forecasts • The meaning, calculation and interpretation of payback and ARR • The meaning, calculation and interpretation of discounted payback and NPV • The meaning and interpretation (but not the calculation) of IRR • Qualitative factors that might influence an investment decision in a given situation • Comparison of the investment appraisal methods, including their limitations



6AL: Strategic management

The aim of this Cambridge International A Level unit is to emphasise the integrated nature of strategic business decisions and the ways businesses implement strategic change successfully. Business strategy is concerned with the key decisions that need to be made by businesses of all sizes to survive and succeed in the long term. Strategic management is, therefore, the management of the long term activities of a business and this includes the careful integration of: strategic analysis (where is the business now?), strategic choice (identifying and deciding between options) and strategic implementation (planning for and managing change).

This unit introduces some new subject content, but it also gathers together and synthesises business ideas, concepts and techniques from other topic areas of the syllabus. Selecting between and justifying strategies is the central theme of this Cambridge International A Level Unit. Candidates will be expected to analyse, develop and evaluate future long term strategies in a variety of business situations. While some strategies may relate directly to particular functional areas, there will be a need to judge the likely overall effectiveness of these in the wider context of the business and its overall aims.

6AL.1 What is strategic management?

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| <ul style="list-style-type: none">• Understanding what strategic management is | <ul style="list-style-type: none">• The meaning of corporate strategy, tactics and strategic management• The need for strategic management• Chandler’s assertion that strategy should determine organisational structure• How business strategy determines competitive advantage in an increasingly competitive world |
|--|--|

6AL.2 Strategic analysis

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|--|--|
| <ul style="list-style-type: none">• SWOT analysis• PEST or External Environment analysis• Business vision/mission statement and objectives• Boston Matrix• 5 Forces analysis• Core Competencies | <ul style="list-style-type: none">• Undertake and interpret SWOT analysis in a given situation• Development of the outcome of a SWOT analysis into strategic objectives• Undertake and interpret PEST analysis in a given situation• Evaluation of the role of business vision/mission statements and objectives in strategic analysis• Undertake and interpret Boston Matrix analysis on the product portfolio of a business• Use Porter’s 5 Forces analysis as a framework for business strategy• Use Prahalad and Hamel’s Core Competencies analysis as a framework for business strategy |
|--|--|



6AL.3 Strategic choice	
<ul style="list-style-type: none"> • Ansoff's Matrix • Force Field Analysis • Decision trees 	<ul style="list-style-type: none"> • The structure of Ansoff's Matrix and how it analyses the link between business strategy and risk • Use of Ansoff's Matrix to analyse and evaluate different business strategies in a given situation • The use of simple Force Field Analysis as a means of making strategic choices in a given situation • Construction of simple decision trees from information given • Calculation of the expected monetary values from decision trees and use of the results to assist in selecting most appropriate strategy • The usefulness of decision trees including an assessment of the accuracy of the data they contain
6AL.4 Strategic implementation	
<ul style="list-style-type: none"> • Business plans • Corporate culture and strategic implementation • Developing a change culture • Managing and controlling strategic change • Contingency planning and crisis management 	<ul style="list-style-type: none"> • Key elements of a business plan • The value of a business plan for large and small, established and start-up businesses • Different types of corporate culture such as power, entrepreneurial and task • Importance of corporate culture in strategic implementation in a given situation • Importance of developing a change culture to allow effective implementations of new strategies • The importance of leading and managing change • Techniques to implement and manage change successfully • Development of a strategy to manage change in a given situation • Importance of contingency planning and crisis management

7. Resource list

The following pages list textbooks, reference books and other resources. The inclusion of a book does not imply a recommendation (except for *Cambridge International AS and A Level Business Studies* by Stimpson and Farquharson). This list was checked and revised in 2013 for the 2015 syllabus. Check the Internet for more recent editions.

Introductory Reading

Students considering taking or just beginning the course may find it interesting to look at one of the Cambridge IGCSE endorsed textbooks: Borrington and Stimpson (ISBN 034092649), Nuttall and Houghton (ISBN 0521122108), or Dransfield, Needham, Garrett and King (ISBN 1408506479).

Recommended Textbook

The recommended textbook is ***Cambridge International AS and A Level Business Studies*** by Peter Stimpson and Alastair Farquharson. The publisher is Cambridge University Press (ISBN 0521126568). This book includes a Student CD-ROM. A separate Teacher's Resource CD-ROM is also available (ISBN 0521126932).

Other Textbooks

Author	Title	Date	Publisher	ISBN
D Hall, R Jones, C Raffo, A Anderton, I Chambers, D Gray	Business Studies (4th edition)	2008	Causeway Press	1405892315
B R Jewell	An Integrated Approach to Business Studies: Students' Book (4th edition)	2000	Longman	0582405424
I Marcousé, M Surridge et al	Business Studies for A Level (4th edition)	2011	Hodder Education	1444122754



Reference Books

Author	Title	Date	Publisher	ISBN
S Cameron	The Business Student's Handbook (5th edition)	2009	Financial Times/ Prentice Hall	0273730711
J Curwin & R Slater	Quantitative Methods for Business Decisions (7th edition)	2013	Thomson Learning	1408060191
G Easton	Learning from Case Studies (2nd edition)	1992	Financial Times/ Prentice Hall	0135286883
I Marcou��, B Martin & D Lines	Complete A-Z Business Studies Handbook (6th edition)	2009	Philip Allan	0340987294

The following tables list books that relate to the specific sections of the syllabus. Some of these books go well beyond what is required by this syllabus. However, these books can provide enrichment to the course. Selective reading of these books can stimulate and inform students and access to these books can provide extra resource material for teachers. Some of the books have companion online websites which may provide some online resources for free.

Business and its environment

Author	Title	Date	Publisher	ISBN
P Wetherly & D Otter	The Business Environment: Themes and Issues (2nd edition)	2011	Oxford University Press	0199579601
I Worthington & C Britton	The Business Environment (6th edition)	2009	FT Prentice Hall	0273716751



People in organisations

Author	Title	Date	Publisher	ISBN
P Drucker	Managing for Results	1999	Butterworth-Heinemann	0750643919
M Foot & C Hook	Introducing Human Resource Management (6th edition)	2011	FT Prentice Hall	0273740989
C B Handy	Understanding Organisations (4th edition)	2005	Penguin	0141017740
D S Pugh & D J Hickson	Writers on Organizations (6th edition)	2007	Penguin	0141029927

Marketing

Author	Title	Date	Publisher	ISBN
P Baines, C Fill & K Page	Marketing (2nd edition)	2010	Oxford University Press	019957961X
P Kotler & K Keller	Marketing Management (14th edition)	2011	Pearson Education	0273755021

Operations and project management

Author	Title	Date	Publisher	ISBN
N Slack, S Chambers & R Johnston	Operations Management (6th edition)	2009	FT Prentice Hall	0273731602
J Womack & D Jones	Lean Thinking (new edition)	2003	Free Press	0743231643
T Young	Successful Project Management (3rd edition)	2010	Kogan Page	0749456639



Finance and accounting

Author	Title	Date	Publisher	ISBN
P Atrill & E McLaney	Accounting and Finance for Non-specialists (7th edition)	2010	FT Prentice Hall	0273745969
D Cox	Business Accounts (4th edition)	2012	Osborne Books	1905777922
I Harrison	Complete A–Z Accounting Handbook (3rd edition)	2009	Philip Allan	0340991054
R Jarvis & A Berry	Accounting in a Business Context (4th edition)	2005	Cengage Learning EMEA	1844802515

Strategic Management

Author	Title	Date	Publisher	ISBN
G Johnson, K Scholes & R Whittington	Exploring Corporate Strategy: Text and Cases (9th edition)	2010	FT Prentice Hall	0273737025
H Mintzberg	The Rise and Fall of Strategic Planning	2000	FT Prentice Hall	0273650378
J I Moore	Writers on Strategy and Strategic Management (2nd edition)	2001	Penguin	0140284443

Magazine

Business Review is aimed at Business Studies courses at Cambridge IGCSE and AS/A Level. For details of the current and previous editions see www.philipallan.co.uk/businessreview/index.htm

Websites

www.bankofengland.co.uk
www.bbc.co.uk/worldservice/business/
www.bized.co.uk
www.projectalevel.co.uk/business/index.htm
www.s-cool.co.uk
www.thetimes100.co.uk
www.topmarks.co.uk
<http://tre.ngfl.gov.uk/server.php>
www.tutor2u.net/



Teachers' Resources

Author	Title	Date	Publisher	ISBN
K Borrington	Teaching and Assessing Skills in Business Studies	2004	Cambridge University Press	0521543665
D Hall, R Jones, C Raffo, A Anderton, I Chambers, D Gray	Business Studies: Teachers' Guide (4th edition)	2008	Causeway Press	1405892323
P Stimpson, K Borrington & P Vasey	Cambridge IGCSE Business Studies CD-ROM	2002	Hodder Education	071957269X

Resources are also listed on Cambridge's public website at www.cie.org.uk. Please visit this site on a regular basis as the Resource lists are updated through the year.

Access to teachers' email discussion groups, suggested schemes of work and regularly updated resource lists may be found on the Cambridge Teacher Support website at <http://teachers.cie.org.uk>. This website is available to teachers at registered Cambridge Centres.



8. Appendix: International terminology

International usage	UK usage (used by Cambridge before 2011 examinations)
Balance sheet	<i>Balance sheet</i>
Bank (and other) loans/ Interest bearing loans and borrowing	<i>Loans repayable after 12 months</i>
Bank overdrafts and loans/ Interest bearing loans and borrowing	<i>Loans repayable within 12 months</i>
Capital or Equity/Shareholders' Equity	<i>Capital</i>
Cash (and cash equivalents)	<i>Bank and cash</i>
Cost of sales	<i>Cost of goods sold</i>
Current assets	<i>Current assets</i>
Current liabilities	<i>Current liabilities/Creditors: amounts due within 12 months</i>
Days' sales in trade receivables	<i>Debtor days</i>
Finance costs	<i>Interest payable</i>
Finance Income/Investment revenues	<i>Interest receivable</i>
Financial Statements	<i>Final accounts</i>
Gross profit	<i>Gross profit</i>
Income statement	<i>Trading and profit and loss account</i>
Intangible assets	<i>Goodwill etc.</i>
Inventory/Inventories (of raw materials and finished goods)	<i>Stock</i>
Investment property	<i>Investments</i>
Non-current assets	<i>Fixed assets</i>
Non-current liabilities	<i>Long term liabilities/ Creditors: amounts falling due after more than one year</i>



International usage	UK usage (used by Cambridge before 2011 examinations)
Other operating expenses	<i>Sundry expenses (administration and distribution)</i>
Other operating income	<i>Sundry income</i>
Other payables	<i>Accruals</i>
Other receivables	<i>Prepayments</i>
Plant and equipment	<i>Plant and equipment</i>
Profit (before tax) for the year	<i>Net Profit</i>
Property	<i>Land and buildings</i>
Raw materials Ordinary goods purchased	<i>Purchases</i>
Revenue	<i>Sales</i>
Share capital	<i>Share capital</i>
Trade payables	<i>Creditors</i>
Trade receivables	<i>Debtors</i>
Work in progress	<i>Work in progress</i>



9. Other information

Equality and inclusion

Cambridge International Examinations has taken great care in the preparation of this syllabus and assessment materials to avoid bias of any kind. To comply with the UK Equality Act (2010), Cambridge has designed this qualification with the aim of avoiding direct and indirect discrimination.

The standard assessment arrangements may present unnecessary barriers for candidates with disabilities or learning difficulties. Arrangements can be put in place for these candidates to enable them to access the assessments and receive recognition of their attainment. Access arrangements will not be agreed if they give candidates an unfair advantage over others or if they compromise the standards being assessed.

Candidates who are unable to access the assessment of any component may be eligible to receive an award based on the parts of the assessment they have taken.

Information on access arrangements is found in the *Cambridge Handbook* which can be downloaded from the website www.cie.org.uk

Language

This syllabus and the associated assessment materials are available in English only.

Grading and reporting

Cambridge International A Level results are shown by one of the grades A*, A, B, C, D or E, indicating the standard achieved, A* being the highest and E the lowest. 'Ungraded' indicates that the candidate's performance fell short of the standard required for grade E. 'Ungraded' will be reported on the statement of results but not on the certificate. The letters Q (result pending); X (no results) and Y (to be issued) may also appear on the statement of results but not on the certificate.

Cambridge International AS Level results are shown by one of the grades a, b, c, d or e, indicating the standard achieved, 'a' being the highest and 'e' the lowest. 'Ungraded' indicates that the candidate's performance fell short of the standard required for grade 'e'. 'Ungraded' will be reported on the statement of results but not on the certificate. The letters Q (result pending); X (no results) and Y (to be issued) may also appear on the statement of results but not on the certificate.

If a candidate takes a Cambridge International A Level and fails to achieve grade E or higher, a Cambridge International AS Level grade will be awarded if both of the following apply:

- the components taken for the Cambridge International A Level by the candidate in that series included all the components making up a Cambridge International AS Level
- the candidate's performance on these components was sufficient to merit the award of a Cambridge International AS Level grade.

For languages other than English, Cambridge also reports separate speaking endorsement grades (Distinction, Merit and Pass), for candidates who satisfy the conditions stated in the syllabus.



Entry codes

To maintain the security of our examinations we produce question papers for different areas of the world, known as 'administrative zones'. Where the component entry code has two digits, the first digit is the component number given in the syllabus. The second digit is the location code, specific to an administrative zone. Information about entry codes, examination timetables and administrative instructions for your administrative zone can be found in the *Cambridge Guide to Making Entries*.

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