



Syllabus

Cambridge International AS & A Level Business 9609

Use this syllabus for exams in 2023, 2024 and 2025.
Exams are available in the June and November series.
Exams are also available in the March series in India only.



Why choose Cambridge International?

Cambridge International prepares school students for life, helping them develop an informed curiosity and a lasting passion for learning. We are part of the University of Cambridge.

Our Cambridge Pathway gives students a clear path for educational success from age 5 to 19. Schools can shape the curriculum around how they want students to learn – with a wide range of subjects and flexible ways to offer them. It helps students discover new abilities and a wider world, and gives them the skills they need for life, so they can achieve at school, university and work.

Our programmes and qualifications set the global standard for international education. They are created by subject experts, rooted in academic rigour and reflect the latest educational research. They provide a strong platform for students to progress from one stage to the next, and are well supported by teaching and learning resources.

We review all our syllabuses regularly, so they reflect the latest research evidence and professional teaching practice – and take account of the different national contexts in which they are taught.

We consult with teachers to help us design each syllabus around the needs of their learners. Consulting with leading universities has helped us make sure our syllabuses encourage students to master the key concepts in the subject and develop the skills necessary for success in higher education.

Our mission is to provide educational benefit through provision of international programmes and qualifications for school education and to be the world leader in this field. Together with schools, we develop Cambridge learners who are confident, responsible, reflective, innovative and engaged – equipped for success in the modern world.

Every year, nearly a million Cambridge students from 10 000 schools in 160 countries prepare for their future with the Cambridge Pathway.

'We think the Cambridge curriculum is superb preparation for university.'

Christoph Guttentag, Dean of Undergraduate Admissions, Duke University, USA



Quality management

Cambridge International is committed to providing exceptional quality. In line with this commitment, our quality management system for the provision of international qualifications and education programmes for students aged 5 to 19 is independently certified as meeting the internationally recognised standard, ISO 9001:2015. Learn more at www.cambridgeinternational.org/ISO9001

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Important: Changes to this syllabus

For information about changes to this syllabus for 2023, 2024 and 2025, go to page 43.



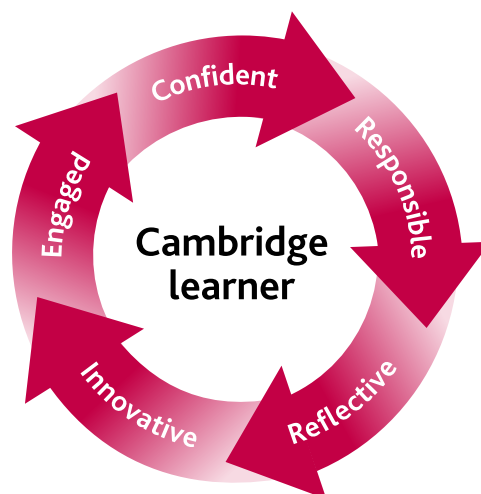
1 Why choose this syllabus?

Key benefits

The best motivation for a student is a real passion for the subject they're learning. By offering students a variety of Cambridge International AS & A Levels, you can give them the greatest chance of finding the path of education they most want to follow. With over 50 subjects to choose from, students can select the ones they love and that they're best at, which helps motivate them throughout their studies.

Following a Cambridge International AS & A Level programme helps students develop abilities which universities value highly, including:

- a deep understanding of their subjects
- higher order thinking skills – analysis, critical thinking, problem solving
- presenting ordered and coherent arguments
- independent learning and research.



Cambridge International AS & A Level Business allows students to experience the diverse and dynamic world within which businesses exist. With a focus on how decisions are made, students will gain the knowledge to understand how businesses operate within real contexts, analyse alternative courses of action and develop the ability to make justified recommendations.

These transferable skills are essential for anybody working in a business environment and can facilitate further study within business related areas.

Our approach in Cambridge International AS & A Level Business encourages learners to be:

confident, using business concepts to solve problems and understand the needs of businesses and their stakeholders within given contexts

responsible, understanding that businesses and their stakeholders have responsibilities to society and the environment

reflective, evaluating business decisions that have been made to better inform decisions that still need to be made

innovative, adapting the business skills of analysis and evaluation to dynamic scenarios in both familiar and unfamiliar contexts

engaged, developing an interest in enterprise and facing challenges as future business leaders.

'Cambridge students develop a deep understanding of subjects and independent thinking skills.'

Principal, Rockledge High School, USA

Key concepts

Key concepts are essential ideas that help students develop a deep understanding of their subject and make links between different aspects. Key concepts may open up new ways of thinking about, understanding or interpreting the important things to be learned.

Good teaching and learning will incorporate and reinforce a subject's key concepts to help students gain:

- a greater depth as well as breadth of subject knowledge
- confidence, especially in applying knowledge and skills in new situations
- the vocabulary to discuss their subject conceptually and show how different aspects link together
- a level of mastery of their subject to help them enter higher education.

The key concepts identified below, carefully introduced and developed, will help to underpin the course you will teach. You may identify additional key concepts which will also enrich teaching and learning.

The key concepts for Cambridge International AS & A Level Business are:

- **Change**
Change is the only constant. New enterprises and opportunities are created in response to change in the external environment. Change can also happen within a business, leading to success when change is handled correctly.
- **Context**
Context is the basis for every business decision. What might be a suitable solution in one situation may be unsuitable in another. Businesses must understand and research their context to be able to make good decisions.
- **Decision-making**
Decision-making affects all levels in a business. Stakeholders in businesses use their knowledge, apply it to a scenario, analyse the data, evaluate the arguments and then come to a decision.
- **Enterprise**
Enterprise is the ability to seek out and successfully develop business opportunities.
- **Innovation**
Innovation enables a business to re-invent itself and stay ahead of the competition. The business world is dynamic and companies must seek to innovate through product development, more efficient processes and finding better ways to do business.
- **Strategy**
Strategy is about knowing where you are, where you want to get to and how you are going to get there. Being able to analyse a business situation, make choices given relevant data and then implement this effectively is key to running a successful business.

International recognition and acceptance

Our expertise in curriculum, teaching and learning, and assessment is the basis for the recognition of our programmes and qualifications around the world. Every year thousands of students with Cambridge International AS & A Levels gain places at leading universities worldwide. Our programmes and qualifications are valued by top universities around the world including those in the UK, US (including Ivy League universities), Europe, Australia, Canada and New Zealand.

UK NARIC, the national agency in the UK for the recognition and comparison of international qualifications and skills, has carried out an independent benchmarking study of Cambridge International AS & A Level and found it to be comparable to the standard of AS & A Level in the UK. This means students can be confident that their Cambridge International AS & A Level qualifications are accepted as equivalent, grade for grade, to UK AS & A Levels by leading universities worldwide.

Cambridge International AS Level Business makes up the first half of the Cambridge International A Level course in business and provides a foundation for the study of business at Cambridge International A Level. Depending on local university entrance requirements, students may be able to use it to progress directly to university courses in business or some other subjects. It is also suitable as part of a course of general education.

Cambridge International A Level Business provides a foundation for the study of business or related courses in higher education. Equally it is suitable as part of a course of general education.

For more information about the relationship between the Cambridge International AS Level and Cambridge International A Level see the 'Assessment overview' section of the Syllabus overview.

We recommend learners check the Cambridge recognition database and university websites to find the most up-to-date entry requirements for courses they wish to study.

Learn more at www.cambridgeinternational.org/recognition

'The depth of knowledge displayed by the best A Level students makes them prime targets for America's Ivy League universities.'

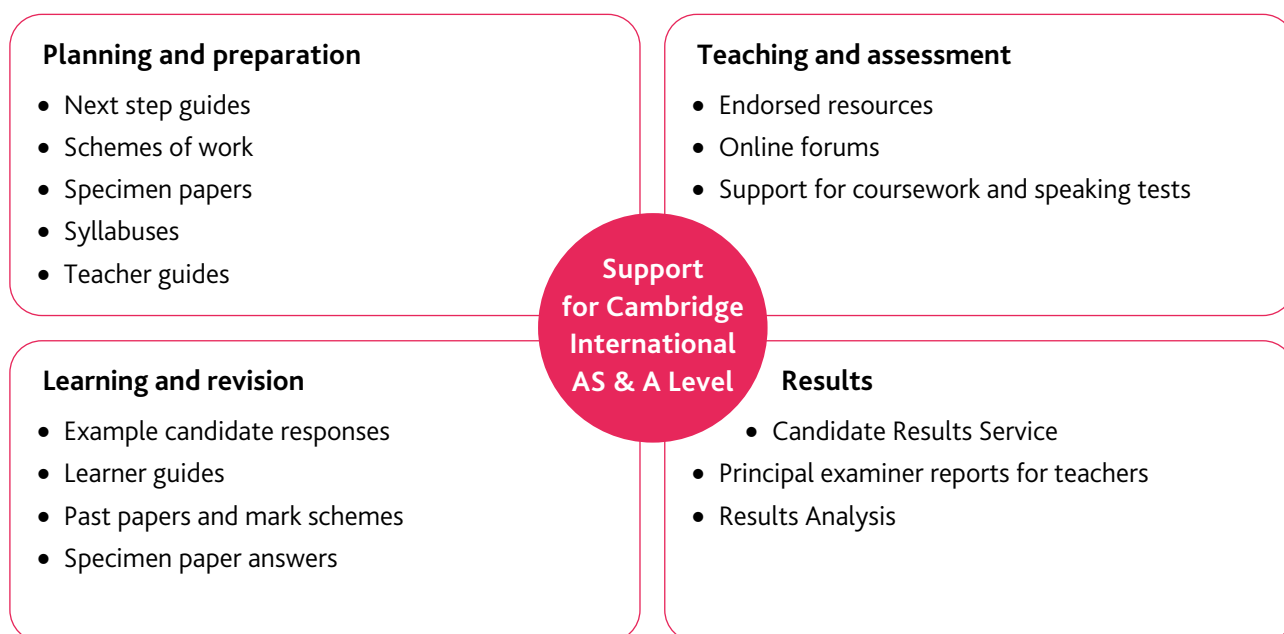
Yale University, USA

Supporting teachers

We provide a wide range of resources, detailed guidance and innovative training and professional development so that you can give your students the best possible preparation for Cambridge International AS & A Level. To find out which resources are available for each syllabus go to our School Support Hub.

The School Support Hub is our secure online site for Cambridge teachers where you can find the resources you need to deliver our programmes. You can also keep up to date with your subject and the global Cambridge community through our online discussion forums.

Find out more at www.cambridgeinternational.org/support



Sign up for email notifications about changes to syllabuses, including new and revised products and services at www.cambridgeinternational.org/syllabusupdates

Professional development

We support teachers through:

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- Extension Training – face-to-face or online
- Enrichment Professional Development – face-to-face or online

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- Cambridge Professional Development Qualifications

Find out more at www.cambridgeinternational.org/profdev

Supporting exams officers

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2 Syllabus overview

Aims

The aims describe the purposes of a course based on this syllabus.

The aims are to enable students to:

- understand and appreciate the role of enterprise and the contribution of business to society – locally, nationally and internationally
- develop critical understanding of business organisations, the markets they serve and the process of adding value
- evaluate business behaviour from the perspective of a range of stakeholders and consider their relative influence on business organisations
- develop an awareness of the political, economic, social, technological, legal, environmental and ethical issues that influence or may be influenced by business activity
- apply quantitative, problem-solving, decision-making and communication skills
- develop skills and knowledge needed for further study or employment in business.



Cambridge Assessment International Education is an education organisation and politically neutral. The contents of this syllabus, examination papers and associated materials do not endorse any political view. We endeavour to treat all aspects of the exam process neutrally.

Content overview

Candidates for Cambridge International AS Level study the AS Level topics for Paper 1 and Paper 2.

Candidates for Cambridge International A Level study all topics.

	AS Level topics		A Level topics	
Business and its environment	1.1	Enterprise	6.1	External influences on business activity
	1.2	Business structure	6.2	Business strategy
	1.3	Size of business		
	1.4	Business objectives		
	1.5	Stakeholders in a business		
Human resource management	2.1	Human resource management	7.1	Organisational structure
	2.2	Motivation	7.2	Business communication
	2.3	Management	7.3	Leadership
			7.4	Human resource management strategy
Marketing	3.1	The nature of marketing	8.1	Marketing analysis
	3.2	Market research	8.2	Marketing strategy
	3.3	The marketing mix		
Operations management	4.1	The nature of operations	9.1	Location and scale
	4.2	Inventory management	9.2	Quality management
	4.3	Capacity utilisation and outsourcing	9.3	Operations strategy
Finance and accounting	5.1	Business finance	10.1	Financial statements
	5.2	Sources of finance	10.2	Analysis of published accounts
	5.3	Forecasting and managing cash flows	10.3	Investment appraisal
	5.4	Costs	10.4	Finance and accounting strategy
	5.5	Budgets		

'Cambridge International AS & A Levels prepare students well for university because they've learnt to go into a subject in considerable depth. There's that ability to really understand the depth and richness and the detail of a subject. It's a wonderful preparation for what they are going to face at university.'

US Higher Education Advisory Council

Assessment overview

Paper 1

Business Concepts 1 1 hour 15 minutes
40 marks

Section A: four short answer questions. There are two parts to the first three questions.

Section B: one essay from a choice of two. There are two parts to each essay.

Questions are based on the AS Level subject content.

Externally assessed

40% of the AS Level

20% of the A Level

Paper 2

Business Concepts 2 1 hour 30 minutes
60 marks

Two data response questions. There are six parts to each question.

Questions are based on the AS Level subject content.

Externally assessed

60% of the AS Level

30% of the A Level

Paper 3

Business Decision-Making 1 hour 45 minutes
60 marks

Five questions based on a case study. There are three parts to Question 3 and two parts to Question 4.

Questions are based on the A Level subject content; knowledge of material from the AS Level subject content is assumed.

Externally assessed

30% of the A Level

Paper 4

Business Strategy 1 hour 15 minutes
40 marks

Two essay questions based on a case study.

Questions are based on the A Level subject content; knowledge of material from the AS Level subject content is assumed.

Externally assessed

20% of the A Level

Information on availability is in the **Before you start** section.

There are three routes for Cambridge International AS & A Level Business:

Route	Paper 1	Paper 2	Paper 3	Paper 4
1 AS Level only (Candidates take all AS components in the same exam series)	✓	✓		
2 A Level (staged over two years) Year 1 AS Level*	✓	✓		
Year 2 Complete the A Level			✓	✓
3 A Level (Candidates take all components in the same exam series)	✓	✓	✓	✓

* Candidates carry forward their AS Level result subject to the rules and time limits described in the *Cambridge Handbook*.

Candidates following an AS Level route are eligible for grades a–e. Candidates following an A Level route are eligible for grades A*–E.

Assessment objectives

The assessment objectives (AOs) are:

AO1 Knowledge and understanding

Demonstrate knowledge and understanding of business concepts, terms and theories.

AO2 Application

Apply knowledge and understanding of business concepts, terms and theories to problems and issues in a variety of familiar and unfamiliar business situations and contexts.

AO3 Analysis

Analyse business problems, issues and situations by:

- using appropriate methods and techniques to make sense of qualitative and quantitative business information
- searching for causes, impact and consequences
- distinguishing between factual evidence and opinion or value judgement
- drawing valid inferences and making valid generalisations.

AO4 Evaluation

Evaluate evidence in order to make reasoned judgements, present substantiated conclusions and, where appropriate, make recommendations for action and implementation.

Weighting for assessment objectives

The approximate weightings allocated to each of the assessment objectives (AOs) are summarised below.

Assessment objectives as a percentage of each qualification

Assessment objective	Weighting in AS Level %	Weighting in A Level %
AO1 Knowledge and understanding	30	25
AO2 Application	30	25
AO3 Analysis	20	25
AO4 Evaluation	20	25
Total	100	100

Assessment objectives as a percentage of each component

Assessment objective	Weighting in components %			
	Paper 1	Paper 2	Paper 3	Paper 4
AO1 Knowledge and understanding	35	30	20	15
AO2 Application	30	30	27	10
AO3 Analysis	20	20	23	40
AO4 Evaluation	15	20	30	35
Total	100	100	100	100

3 Subject content

This syllabus gives you the flexibility to design a course that will interest, challenge and engage your learners. Where appropriate you are responsible for selecting resources and examples to support your learners' study. These should be appropriate for the learners' age, cultural background and learning context as well as complying with your school policies and local legal requirements.

Cambridge International AS Level students study topics 1.1–5.5.

Cambridge International A Level students study topics 1.1–10.4.

The AS Level content is assumed knowledge for A Level Paper 3 and Paper 4.

AS Level content

1 Business and its environment (AS Level)

The foundation of Business is to understand what happens within a business. At AS Level candidates develop an understanding of what a business is, what it wants to achieve and who is involved. Candidates develop the vocabulary to understand how a business operates and learn how to analyse what the business does. Every business is different, understanding its context is important to be able to understand the decisions that it makes and the motivations of those involved.

1.1 Enterprise

1.1.1 The nature of business activity

- the purpose of business activity
- the factors of production needed for business activity: land, labour, capital and enterprise
- the concept of adding value
- the nature of economic activity, the problem of choice and opportunity cost
- the dynamic business environment
- why businesses succeed or fail
- differences between local, national, international and multinational businesses

1.1.2 The role of entrepreneurs and intrapreneurs

- the qualities entrepreneurs and intrapreneurs need for success
- the role of entrepreneurship in creating and starting up a business
- the role of intrapreneurship in the ongoing success of a business
- barriers to entrepreneurship
- business risk and uncertainty
- the role of business enterprise in the development of a country

1.1 Enterprise continued

1.1.3 Business plans

- the meaning and purpose of business plans
- the key elements of business plans
- the benefits and limitations of business plans

1.2 Business structure

1.2.1 Economic sectors

- the primary, secondary, tertiary and quaternary sectors and businesses within those sectors
- the public and private sectors and businesses within those sectors
- the reasons for and consequences of the changing relative importance of these sectors

1.2.2 Business ownership

- the main features of different types of business ownership: sole traders, partnerships, private limited companies, public limited companies, franchises, co-operatives, joint ventures and social enterprises
- the appropriateness of different types of business ownership
- the concepts of unlimited liability and limited liability and their importance
- the advantages and disadvantages of changing from one type of business ownership to another

1.3 Size of business

1.3.1 Measurements of business size

- the appropriateness of different methods of measuring the size of a business

1.3.2 Significance of small businesses

- the advantages and disadvantages of being a small business
- the 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 industrial structure in some industries

1.3.3 Business growth

- why and how a business might grow internally (organic growth)
- the different types of external growth through merger and takeover: horizontal, vertical (backward and forward), conglomerate diversification, friendly merger, hostile takeover
- the impact of a merger/takeover on stakeholders
- why a merger/takeover may or may not achieve objectives
- the importance of joint ventures and strategic alliances as methods of external growth

1.4 Business objectives

1.4.1 Business objectives in the private sector and public sector

- the objectives of businesses – private sector, public sector, and social enterprises
- the importance of business objectives
- corporate social responsibility (CSR) and the triple bottom line – economic (financial), social and environmental objectives
- the relationship between mission statement, aims, objectives, strategy and tactics

1.4.2 Objectives and business decisions

- 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
- the translation of objectives into targets and budgets
- the need for communication of objectives and their likely impact on the workforce
- SMART (specific, measurable, achievable, realistic, time-limited) objectives
- how ethics may influence business objectives and activities

1.5 Stakeholders in a business

1.5.1 Business stakeholders

- individuals or groups with an interest in the activities of a business
- internal stakeholders and external stakeholders
- the roles, rights and responsibilities of stakeholders

1.5.2 The relative importance and influence of stakeholders on business activities

- the impact of business decisions on stakeholders, and their reactions
- the impact of stakeholder aims on business decisions
- how and why a business needs to be accountable to its stakeholders
- how conflict might arise from stakeholders having different aims and objectives
- how changing business objectives might affect its stakeholders

2 Human resource management (AS Level)

The focus of this topic is on how a business can effectively manage its workforce to achieve its objectives. Candidates will develop an understanding of the human resource management process from planning and recruiting workers through to their dismissal. Candidates will learn about motivation in management. They will learn about the theory behind motivation as well as how to implement it in practice.

2.1 Human resource management (HRM)

2.1.1 Purpose and roles of HRM

- the role of HRM in meeting organisational objectives

2.1.2 Workforce planning

- the reasons for and role of a workforce plan
- measurement of labour turnover
- the implications of high and low labour turnover for a business

2.1.3 Recruitment and selection

- recruitment of employees: process (job descriptions and person specifications) and recruitment methods (job advertisements, employment agencies, online recruitment)
- internal and external recruitment
- selection methods: curriculum vitae, résumé, application forms, interviews, references, testing, assessment centres
- employment contracts

2.1.4 Redundancy and dismissal

- the difference between redundancy (voluntary and involuntary) and dismissal (fair, unfair)

2.1.5 Morale and welfare

- the relationship between HRM, employee morale and welfare in a business including the concept of work-life balance
- the impact of diversity and equality in the workplace on a business

2.1.6 Training and development

- different types of training: induction, on-the-job, off-the-job
- the impact of training and development on a business
- employee development to encourage intrapreneurship
- employee development to encourage multi-skilling and flexibility

2.1 Human resource management (HRM) continued

2.1.7 Management and workforce relations

- how cooperation between management and the workforce can be of benefit to both
- the impact on employers and employees of trade union involvement in the workplace including their role in collective bargaining

2.2 Motivation

2.2.1 Motivation as a tool of management and leadership

- the need to motivate employees to achieve the objectives of a business

2.2.2 Human needs

- a simple explanation of human need
- how human needs may or may not be satisfied at work

2.2.3 Motivation theories

- the ideas of the main content theories (Taylor, Mayo, Maslow, Herzberg and McClelland) and process theory (Vroom)

2.2.4 Motivation methods in practice: financial motivators, non-financial motivators

- the theories in practical situations
- different payment methods: time based, salary, piece rates, commission, bonuses, profit sharing, performance-related pay, fringe benefits
- different types of non-financial motivators: training, opportunities for promotion, development, status, job re-design, team working, empowerment, participation, job enrichment
- ways in which employees can participate in the management and control of business activity

2.3 Management

2.3.1 Management and managers

- traditional manager functions: planning, organising, directing, controlling
- the role of managers: Fayol, Mintzberg
- the contribution of managers to business performance
- management styles: autocratic, democratic, laissez-faire, paternalistic
- McGregor's Theory X and Theory Y managers

3 Marketing (AS Level)

The focus of this topic is on how a business finds out the needs of potential customers, and provides for their needs. Candidates will develop an understanding of the marketing mix. Candidates will have the opportunity to study in further depth one or more of the elements of the marketing mix, and to develop the skills to be able to recommend a suitable marketing mix for a business in a specific context.

3.1 The nature of marketing

3.1.1 The role of marketing and its relationship with other business activities

- marketing objectives
- the link between marketing objectives and corporate objectives

3.1.2 Demand and supply

- the factors influencing the demand for and supply of the products of a business
- interactions between demand, supply and price

3.1.3 Markets

- how markets may differ: consumer and industrial markets; local, national and international markets
- the difference between product orientation and customer (market) orientation
- measurement of market share and market growth
- the implications of changes in market share and market growth

3.1.4 Consumer and industrial marketing

- the classification of products
- how marketing might differ for consumer products (B2C – business to consumer) and industrial products (B2B – business to business)

3.1.5 Mass marketing and niche marketing

- the features of mass and niche markets
- the advantages and disadvantages of mass marketing and niche marketing

3.1.6 Market segmentation

- methods of market segmentation: geographic, demographic and psychographic
- the advantages and disadvantages of market segmentation

3.1.7 Customer relationship marketing (CRM)

- the aims of CRM
- the costs and benefits of CRM

3.2 Market research

3.2.1 The purposes of market research

- identification of main features of a market: size, growth, competitors
- identification of customer and consumer characteristics, profiles, wants and needs

3.2.2 Primary research and secondary research

- the distinction between primary research and secondary research, and the main features of each
- usefulness of data collected using primary research methods
- usefulness of data collected from secondary research sources

3.2.3 Sampling

- the need for and limitations of sampling

3.2.4 Market research data

- the reliability of the data collected
- analysis of quantitative and qualitative data
- interpretation of information presented in tables, charts and graphs

3.3 The marketing mix

3.3.1 The elements of the marketing mix (the 4Ps)

- the 4Ps: Product, Price, Promotion, Place (distribution channels)

3.3.2 Product

- the difference between goods and services
- tangible and intangible attributes of products
- the importance of product development
- product differentiation and unique selling point (USP)

3.3.3 Product portfolio analysis

- product life cycle and decisions about extension strategies
- Boston Matrix analysis and its uses
- impact of product portfolio analysis on marketing decisions

3.3 The marketing mix continued

3.3.4 Pricing methods

- objectives and usefulness of different pricing methods: competitive, penetration, skimming, price discrimination, dynamic, cost-based and psychological

3.3.5 Promotion methods

- the objectives and usefulness of different promotion methods
- advertising promotion
- sales promotion
- direct promotion
- developments in digital promotion
- the role of packaging in promotion
- the role of branding in promotion

3.3.6 Place (channels of distribution)

- the objectives and usefulness of different channels of distribution
- digital and physical distribution

4 Operations management (AS Level)

The focus of this topic is on operations management from the production of physical products to managing the process of creating services. There are different ways a business can produce a product, with a range of aspects to consider in its production. Candidates are provided with the opportunity to apply their understanding of production methods in a variety of business contexts.

4.1 The nature of operations

4.1.1 The transformational process

- the use of factors of production: land, labour, capital and enterprise
- the stages of the transformational process: inputs to outputs
- the contribution of operations to added value

4.1.2 Efficiency, effectiveness, productivity and sustainability

- the importance of efficiency, effectiveness, productivity and sustainability
- measurement of labour productivity
- the impact on a business of measures to improve sustainability of operations

4.1 The nature of operations continued

4.1.3 Capital intensive and labour intensive operations

- the benefits and limitations of capital intensive operations
- the benefits and limitations of labour intensive operations

4.1.4 Operations methods: job, batch, flow, mass customisation

- differences between methods – advantages and disadvantages of each method
- the problems of changing from one method to another

4.2 Inventory management

4.2.1 Managing inventory

- the purpose of inventory within a business (raw materials, work in progress, finished products)
- the costs and benefits of holding inventory
- buffer inventory, re-order level and lead time
- interpretation of simple inventory control charts
- the importance of Supply Chain Management

4.2.2 Just in Time (JIT)

- the purpose of JIT and JIC (Just in Case) inventory management
- the impact of adopting a JIT approach on a business

4.3 Capacity utilisation and outsourcing

4.3.1 Significance and measurement of capacity utilisation

- the measurement of capacity utilisation
- the impact of operating under or over maximum capacity on a business
- methods of improving capacity utilisation

4.3.2 Outsourcing

- the impact of outsourcing on a business

5 Finance and accounting (AS Level)

The focus of this topic is on the areas more traditionally associated with finance such as how a business can fund itself and where that money goes. Candidates will learn why a business requires finance to operate, and the importance for businesses to successfully manage their finance.

5.1 Business finance

5.1.1 The need for business finance

- reasons why businesses need finance to start up, to grow and to survive
- the distinction between short and long term need for finance
- the difference between cash and profits
- business failure as a consequence of lack of finance: bankruptcy, liquidation and administration

5.1.2 Working capital

- the meaning and importance of working capital
- managing trade receivables and trade payables
- the distinction between capital expenditure and revenue expenditure

5.2 Sources of finance

5.2.1 Business ownership and sources of finance

- the relationship between the form of business ownership and availability of sources of finance

5.2.2 Internal and external sources of finance

- internal sources of finance: owners investment, retained earnings, sale of unwanted assets, sale and leaseback of non-current assets, working capital
- external sources of finance: share capital, debentures, new partners, venture capital, bank overdrafts, leasing, hire purchase, bank loans, mortgages, debt factoring, trade credit, micro-finance, crowd funding and government grants

5.2.3 Factors affecting the sources of finance

- the 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, level of existing debt

5.2.4 Selecting the source of finance

- the appropriateness of each possible source in a given situation

5.3 Forecasting and managing cash flows

5.3.1 Cash flow forecasts

- the meaning and purpose of cash flow forecasts
- the interpretation and amendment of simple cash flow forecasts: calculating opening and closing balances
- different methods of improving cash flow

5.4 Costs

5.4.1 Cost information

- the need for accurate cost information
- different types of costs: fixed, variable, direct and indirect

5.4.2 Approaches to costing: full, contribution

- the differences between full and contribution costing
- the uses and limitations of the full costing method
- the nature of the technique of contribution costing
- the difference between contribution and profit
- the limitations of contribution costing
- situations in which contribution costing would be and would not be used

5.4.3 Uses of cost information

- cost information for decision-making purposes, e.g. average, marginal, total costs
- how costs can be used for pricing decisions
- how costs can be used to monitor and improve business performance, including using cost information to calculate profits
- contribution costing as a means to help make special order decisions

5.4.4 Break-even analysis

- the meaning and importance of break-even analysis
- calculation and interpretation of break-even level of output, contribution, margin of safety and level of profit (in numeric and graphic form)
- the uses and limitations of break-even analysis

5.5 Budgets

5.5.1 The meaning and purpose of budgets

- the measurement of performance
- the benefits and drawbacks from the use of budgets
- the meaning and use of incremental budgets, flexible budgets and zero budgeting
- the uses of budgets for measuring performance, allocating resources, controlling and monitoring a business

5.5.2 Variances

- the meaning of adverse variances and favourable variances
- the calculation and interpretation of variances

A Level content

The content of the AS Level is assumed knowledge for the assessment of Paper 3 and Paper 4. The A Level topics build on the learning acquired in the AS Level topics.

6 Business and its environment (A Level)

This A Level topic builds on the learning acquired in topic 1, enabling candidates to further understand the environment in which a business operates. All businesses operate in a constantly changing environment. Candidates will develop an understanding that although some aspects of the environment are fixed, businesses operate in a context in which things change. The way in which the topic is taught should reflect the changing needs of the environment in which a business operates.

The study of business strategy will enable candidates to develop their skills to produce a basic business strategy. Candidates will develop an understanding of the tools a business uses to analyse the internal and external environment to ensure the success of the business.

6.1 External influences on business activity

6.1.1 Political and legal

- the advantages and disadvantages of privatisation in a given situation
- the advantages and disadvantages of nationalisation in a given situation
- how a government might use the law to seek to control: employment practices, conditions of work (including health and safety), wage levels, marketing behaviour, competition, location decisions, particular goods and services
- the impact of changes in political and legal factors on business and business decisions

6.1 External influences on business activity continued

6.1.2 Economic

- how government might intervene to help businesses and encourage enterprise
- how government might intervene to constrain business activity
- how government might deal with market failure
- the key macroeconomic objectives of governments: low unemployment, low inflation, economic growth
- how macroeconomic objectives and performance of an economy can have an impact on business activity
- government policies used to achieve macroeconomic objectives: monetary, fiscal, supply-side and exchange rate policies
- the impact of changes in these government policies on business and business decisions

6.1.3 Social and demographic

- the impact of and issues associated with corporate social responsibility (CSR), e.g. accounting practices, paying incentives for the award of contracts, social auditing
- why businesses need to consider the needs of the community including pressure groups
- demographic changes at a local, national and global level
- the impact of social and demographic change on business and business decisions

6.1.4 Technological

- the impact of technological change on business and business decisions

6.1.5 Competitors and suppliers

- the impact of competitors and suppliers on business and business decisions

6.1.6 International

- the importance of international trading links and their impact on business and business decisions
- how international trade agreements might have an impact on businesses
- the role of technology in international trade
- the advantages and disadvantages that a multinational might bring to a country
- relationships between multinationals and governments

6.1.7 Environmental

- how physical environmental issues might influence business behaviour
- how a business and its stakeholders may use an environmental audit
- the impact of the growing importance of sustainability on business and business decisions

6.2 Business strategy

6.2.1 Developing business strategy

- the meaning and purpose of business strategy
- the meaning and purpose of strategic management: analysis, choice and implementation
- approaches to develop business strategy, including:
 - blue ocean strategy
 - scenario planning
 - SWOT analysis
 - PEST analysis
 - Porter's five forces
 - core competence framework
 - Ansoff matrix
 - force field analysis
 - decision trees

6.2.2 Corporate planning and implementation

- the meaning and importance of corporate planning
- the meaning of corporate culture and its impact on business decision-making
- the meaning and importance of transformational leadership
- the management and control of strategic change
- the meaning and importance of contingency planning and crisis management

7 Human resource management (A Level)

This A Level topic builds on the learning acquired in topic 2, enabling candidates to build the bigger picture of managing a workforce. Candidates will develop an understanding of the different ways in which a business can structure its workforce to reach its goals. Candidates will learn about business leadership and the ability to make decisions. Candidates will develop an understanding that there are different ways to lead. The most suitable method will depend on the business, and its context.

The study of strategic elements of human resource management will require candidates to bring together the content learnt in topic 2 and in this topic 7 to think about how a business can manage its people from a business-wide perspective.

7.1 Organisational structure

7.1.1 The relationship between business objectives and organisational structure

- the purpose and attributes of an organisational structure such as flexibility, meeting the needs of the business, allowing for growth and development and encouraging intrapreneurship

7.1 Organisational structure continued

7.1.2 Types of structure: functional, hierarchical (flat and narrow), matrix

- the advantages and disadvantages of the different types of structure
- why some organisations are structured by product and others by function or geographical area
- the reasons and ways structures change e.g. due to growth or delayering
- the features of a formal structure: levels of hierarchy, chain of command, span of control, responsibility, authority, delegation, accountability, centralised, decentralised

7.1.3 Delegation and accountability

- the relationship between delegation and accountability
- the processes of accountability in a business
- the impact of delegation on a business

7.1.4 Control, authority and trust

- the relationship between span of control and levels of hierarchy
- the difference between authority and responsibility
- the conflicts between control and trust that might arise when delegating

7.1.5 Centralisation and decentralisation

- the impact of centralisation and decentralisation on a business

7.1.6 Line and staff

- examples of and distinctions between line and staff functions and the conflicts between them

7.2 Business communication

7.2.1 Purposes of communication

- situations in which communication is essential

7.2.2 Methods of communication

- the standard methods of communication used in business: spoken, written, electronic, visual
- the strengths and weaknesses of the different methods of communication

7.2 Business communication continued

7.2.3 Channels of communication

- how communication works within a business
- the difference between one- and two-way communication; the difference between vertical and horizontal communication
- problems associated with different channels of communication

7.2.4 Barriers to communication

- barriers to communication and how to overcome them

7.2.5 The role of management in facilitating communication

- 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

7.3 Leadership

7.3.1 Leadership

- the purpose of leadership
- leadership roles in business (directors, managers, supervisors, worker representatives)
- the qualities of a good leader

7.3.2 Theories of leadership

- key leadership theories: trait, behavioural, contingency, power and influence and transformational

7.3.3 Emotional intelligence/emotional quotient (EQ)

- Goleman's four competencies of emotional intelligence: self-awareness, social awareness, self-management and social skills

7.4 Human resource management (HRM) strategy

7.4.1 Approaches to human resource management (HRM)

- the difference between 'hard' and 'soft' HRM
- flexible working contracts: advantages and disadvantages of temporary contracts or flexible contracts including zero hours contracts, part-time, full-time, annualised hours, flexi-time, home working, shift working, job sharing, compressed working hours, the gig economy
- the measurement, causes and consequences of poor employee performance
- strategies for improving employee performance
- Management by Objectives (MBO) – implementation and usefulness
- the changing role of Information Technology (IT) and Artificial Intelligence (AI) in HRM

8 Marketing (A Level)

The focus of this A Level topic is on how a business can plan and strategise for the future. Candidates will build from their learning in topic 3 to plan for the future marketing needs of the business.

The study of the strategic elements of marketing, include learning about the marketing plan which includes the whole process of marketing, not just the marketing mix. Candidates will look at how a business can adapt and change their marketing to focus on international markets.

8.1 Marketing analysis

8.1.1 Elasticity

- the concept of elasticity of demand: price, income and promotional
- calculation of price, income and promotional elasticity of demand
- interpretation of elasticity results
- the impact of elasticity measures on business decisions
- the limitations of the concept of elasticity in its various forms

8.1.2 Product development

- the process of product development
- sources of new ideas for product development
- the importance of Research and Development (R&D)

8.1.3 Sales forecasting

- the need to forecast sales
- time series analysis: calculation and use of four period centred moving average method to forecast sales
- qualitative sales forecasting
- the impact of sales forecasting on business decisions

8.2 Marketing strategy

8.2.1 Planning the marketing strategy

- the contents of a marketing plan: objectives, resources, research, marketing mix
- the benefits and limitations of marketing planning

8.2.2 Approaches to marketing strategy

- the need for the marketing strategy to be consistent with the business, the product and the market
- the need for and development of a coordinated marketing strategy
- the development of marketing strategies that are focused towards achieving specific marketing objectives
- the changing role of Information Technology (IT) and Artificial Intelligence (AI) in marketing

8.2.3 Strategies for international marketing

- the implications for marketing of increased globalisation and economic collaboration
- the importance of international marketing for a business
- 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
- the factors influencing the method of entry into international markets

9 Operations management (A Level)

This A Level topic builds on the learning acquired in topic 4, enabling candidates to study the wider aspects of production. Candidates will develop an understanding of the importance of the location of a business and the effect that the location has on other aspects of the operations of the business. Candidates will learn about the importance of quality and the effect that quality has on the other functional areas of business. Candidates will develop an awareness of quality in terms of operations management (i.e. being 'fit for purpose') as opposed to a customer's perception of quality of a product.

Candidates will learn about various aspects of operations strategy, including the longer-term planning needed to improve the operations of a business, innovations such as enterprise resource planning (ERP) and lean production, and tools such as critical path analysis.

9.1 Location and scale

9.1.1 Location

- the factors that determine location and relocation
- the differences between local, national and international location decisions
- the reasons for and impact of offshoring and reshoring
- the impact of globalisation on location and relocation decisions

9.1 Location and scale continued

9.1.2 Scale of operations

- the factors that influence the scale of a business
- causes and examples of internal and external economies and diseconomies of scale
- the links between economies and diseconomies of scale and unit costs

9.2 Quality management

9.2.1 Quality control and quality assurance

- quality in terms of meeting customer expectations
- the importance of quality
- the impact of methods of quality control on a business
- the impact of methods of quality assurance on a business
- the impact of Total Quality Management (TQM) on a business

9.2.2 Benchmarking

- the importance of benchmarking in quality management

9.3 Operations strategy

9.3.1 Operational decisions

- the influence of human, marketing and finance resource availability on operations decisions
- the changing role of Information Technology (IT) and Artificial Intelligence (AI) in operations management

9.3.2 Flexibility and innovation

- the need for flexibility with regard to volume, delivery time and specification
- process innovation: changing current processes or adopting new ways of producing products or delivering services

9.3.3 Enterprise resource planning (ERP)

- the main features of an ERP programme
- how ERP can improve a business' efficiency in relation to: inventory control, costing and pricing, capacity utilisation, responses to change, workforce flexibility, management information

9.3 Operations strategy continued

9.3.4 Lean production

- the aims and purposes of lean production
- Kaizen, quality circles, simultaneous engineering, cell production, JIT manufacturing and waste management as operational strategies to achieve lean production
- the limitations of operational strategies to achieve lean production
- the links between lean production and inventory control, quality, employees roles, capacity management and efficiency

9.3.5 Operations planning

- the need for planning operations
- network diagrams as tools to plan operations
- the main elements of a network diagram: activities, dummy activities, nodes
- network diagrams as means of performing Critical Path Analysis (CPA), including identification of 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
- the benefits and limitations of CPA as a management tool

10 Finance and accounting (A Level)

This A Level topic builds on the learning acquired in topic 5, with a focus on accounting information, including published accounts.

Candidates will develop an understanding of what can be learnt from the accounts of a business.

Candidates are not expected to be able to draw up a set of accounts. However, candidates do need to be able to calculate relevant ratios and use this data to inform business decisions.

10.1 Financial statements

10.1.1 Statement of profit or loss

- the meaning and purpose of the statement of profit or loss
- the contents of a statement of profit or loss: revenue, cost of sales, gross profit, expenses, profit from operations (operating profit), taxation, profit for the year, dividends, retained earnings
- amendment of a statement of profit or loss
- the impact on the statement of profit or loss a given change

10.1.2 Statement of financial position

- the meaning and purpose of statement of financial position
- the contents of a statement of financial position including non-current assets, current assets, current liabilities, net current assets, net assets, non-current liabilities, reserves and equity
- amendment of a statement of financial position
- the relationships between items in the statement of profit or loss and the statement of financial position

10.1 Financial statements continued

10.1.3 Inventory valuation

- the difficulties of valuing inventory
- the net realisable value method

10.1.4 Depreciation

- the role of depreciation in the accounts
- the impact of depreciation (straight-line method only) on the statement of financial position and the statement of profit or loss

10.2 Analysis of published accounts

10.2.1 Liquidity ratios

- the meaning and importance of liquidity
- current ratio: calculation and interpretation
- acid test ratio: calculation and interpretation
- methods of improving liquidity

10.2.2 Profitability ratios

- the meaning and importance of profitability
- return on capital employed: calculation and interpretation
- gross profit margin: calculation and interpretation
- profit margin: calculation and interpretation
- methods of improving profitability

10.2.3 Financial efficiency ratios

- the meaning and importance of financial efficiency
- rate of inventory turnover: calculation and interpretation
- trade receivables turnover (days): calculation and interpretation
- trade payables turnover (days): calculation and interpretation
- methods of improving financial efficiency

10.2.4 Gearing ratio

- the meaning and importance of gearing
- gearing ratio: calculation and interpretation
- methods of improving gearing

10.2 Analysis of published accounts continued

10.2.5 Investment ratios

- the meaning and importance of return to investors
- dividend yield: calculation and interpretation
- dividend cover: calculation and interpretation
- price/earnings ratio: calculation and interpretation
- methods of improving investor return

10.3 Investment appraisal

10.3.1 The concept of investment appraisal

- the need for investment appraisal

10.3.2 Basic methods: payback, accounting rate of return (ARR)

- the meaning, calculation and interpretation of payback and ARR
(ARR = (average profit / average investment) × 100)

10.3.3 Discounted cash flow method: net present value (NPV)

- the meaning, calculation and interpretation of NPV

10.3.4 Investment appraisal decisions

- quantitative results and their impact on investment decisions
- qualitative factors and their impact on investment decisions
- comparison of investment appraisal methods, including their limitations

10.4 Finance and accounting strategy

10.4.1 The use of accounting data to enable strategic decision making

- the use of financial statements in developing strategies
- the contents of an annual report and their usefulness to business and other stakeholders

10.4 Finance and accounting strategy continued

10.4.2 The use of accounting data and ratio analysis in strategic decision-making

- assessment of business performance over time and against competitors
- the impact of accounting data including ratio results on business strategy
- the impact of debt or equity decisions on ratio results
- the impact of changes in dividend strategy on ratio results
- the impact of business growth on ratio results
- the impact of other business strategies on ratio results
- the limitations of using published accounts and ratio analyses

Ratios to support analysis of published accounts

Liquidity ratios

Current ratio	$\frac{\text{Current assets}}{\text{Current liabilities}}$ <i>Answer presented as a ratio</i>
Acid test ratio	$\frac{\text{Current assets} - \text{inventory}}{\text{Current liabilities}}$ <i>Answer presented as a ratio</i>

Profitability ratios

Gross profit margin (%)	$\frac{\text{Gross profit}}{\text{Revenue}} \times 100$
Operating profit margin (%)	$\frac{\text{Profit from operations}}{\text{Revenue}} \times 100$
Return on capital employed (%)	$\frac{\text{Profit from operations}}{\text{Capital employed}} \times 100$ Capital employed = issued shares + reserves + non-current liabilities

Financial efficiency ratios

Trade receivables turnover (days)	$\frac{\text{Trade receivables}}{\text{Credit sales}} \times 365 \text{ days}$
Trade payables turnover (days)	$\frac{\text{Trade payables}}{\text{Credit purchases}} \times 365 \text{ days}$
Rate of inventory turnover (times)	$\frac{\text{Cost of sales}}{\text{Average inventory}}$

Gearing ratio

Gearing (%)	$\frac{\text{Non-current liabilities}}{\text{Capital employed}} \times 100$
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Investment ratios

Price/earnings ratio	$\frac{\text{Market price per share}}{\text{Earnings per share}}$
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Dividend yield (%)	$\frac{\text{Dividend per share}}{\text{Market price per share}} \times 100$
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Dividend cover	$\frac{\text{Profit for the year}}{\text{Annual dividend}}$
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4 Details of the assessment

Paper 1 – Business Concepts 1

Written paper, 1 hour 15 minutes, 40 marks

This paper contains two sections.

Section A contains four compulsory questions of five marks each.

Section B contains two questions of 20 marks; candidates answer one question.

Section A has four questions. The first three questions have two parts.

Section B questions are essay questions and have two parts. Answers to the second part of the questions should show evidence of evaluation (AO4).

The questions are based on the AS Level syllabus content (topics 1.1–5.5).

Paper 1 assesses AO1 Knowledge and understanding, AO2 Application, AO3 Analysis and AO4 Evaluation.

Paper 2 – Business Concepts 2

Written paper, 1 hour 30 minutes, 60 marks

This paper contains two compulsory questions of 30 marks each.

Each question includes a text containing data, which includes information in written, numerical and/or diagrammatic form. Candidates need to answer the question using relevant and appropriate information from the stimulus text to support their answers. Each question has six parts. Answers to the last part of the questions should show evidence of evaluation (AO4).

The questions are based on the AS Level syllabus content (topics 1.1–5.5).

Paper 2 assesses AO1 Knowledge and understanding, AO2 Application, AO3 Analysis and AO4 Evaluation.

Paper 3 – Business Decision-Making

Written paper, 1 hour 45 minutes, 60 marks

This paper contains five compulsory questions. The first two questions are worth 8 marks each. Question 3 and Question 4 are worth 16 marks each. Question 5 is worth 12 marks.

The paper includes a case study, which includes information in written, numerical and/or diagrammatic form. Candidates need to answer the questions using relevant and appropriate information from the stimulus text to support their answers.

Question 1, Question 2 and Question 5 are not divided into parts. There are three parts to Question 3 and two parts to Question 4. Answers to the last part of the questions of Question 3 and Question 4 should show evidence of evaluation (AO4). Answers to Question 5 should also show evidence of evaluation (AO4).

For Paper 3, candidates will answer on the question paper. The case study will be presented separately in an insert.

The questions are based on the A Level syllabus content (topics 6.1–10.4). The content of the AS Level (topics 1.1–5.5) is assumed knowledge for the assessment of Paper 3. The AS Level content will not be the direct focus of questions on Paper 3.

Paper 3 assesses AO1 Knowledge and understanding, AO2 Application, AO3 Analysis and AO4 Evaluation.

Paper 4 – Business Strategy

Written paper, 1 hour 15 minutes, 40 marks

This paper contains two compulsory questions of 20 marks each.

The paper includes a case study, which includes information in written, numerical and/or diagrammatic form. Candidates need to answer the questions using relevant and appropriate information from the stimulus text to support their answers.

Both questions are essay questions. Answers to both questions should show evidence of evaluation (AO4).

The questions are based on the A Level syllabus content (topics 6.1–10.4). The content of the AS Level (topics 1.1–5.5) is assumed knowledge for the assessment of Paper 4. The AS Level content will not be the direct focus of questions on Paper 4.

Paper 4 assesses AO1 Knowledge and understanding, AO2 Application, AO3 Analysis and AO4 Evaluation.

Command words

Command words and their meanings help candidates know what is expected from them in the exam. The table below includes command words used in the assessment for this syllabus. The use of the command word will relate to the subject context.

Command word	What it means
Advise	write down a suggested course of action in a given situation
Analyse	examine in detail to show meaning, identify elements and the relationship between them
Assess	make an informed judgement
Calculate	work out from given facts, figures or information
Define	give precise meaning
Evaluate	judge or calculate the quality, importance, amount, or value of something
Explain	set out purposes or reasons / make the relationships between things evident / provide why and/or how and support with relevant evidence
Identify	name/select/recognise
Justify	support a case with evidence/argument

Additional guidance, e.g. phrases such as 'To what extent...?' may also be seen in the assessment for this syllabus.

5 What else you need to know

This section is an overview of other information you need to know about this syllabus. It will help to share the administrative information with your exams officer so they know when you will need their support. Find more information about our administrative processes at www.cambridgeinternational.org/eoguide

Before you start

Previous study

We do not expect learners starting this course to have previously studied business.

Guided learning hours

We design Cambridge International AS & A Level syllabuses based on learners having about 180 guided learning hours for each Cambridge International AS Level and about 360 guided learning hours for a Cambridge International A Level. The number of hours a learner needs to achieve the qualification may vary according to local practice and their previous experience of the subject.

Availability and timetables

All Cambridge schools are allocated to one of six administrative zones. Each zone has a specific timetable.

You can view the timetable for your administrative zone at www.cambridgeinternational.org/timetables

You can enter candidates in the June and November exam series. If your school is in India, you can also enter your candidates in the March exam series.

Check you are using the syllabus for the year the candidate is taking the exam.

Private candidates can enter for this syllabus. For more information, please refer to the *Cambridge Guide to Making Entries*.

Combining with other syllabuses

Candidates can take this syllabus alongside other Cambridge International syllabuses in a single exam series. The only exceptions are:

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

Group awards: Cambridge AICE

Cambridge AICE (Advanced International Certificate of Education) is a group award for Cambridge International AS & A Level. It allows schools to offer a broad and balanced curriculum by recognising the achievements of learners who pass exams in a range of different subjects.

Learn more about Cambridge AICE at www.cambridgeinternational.org/aice

Making entries

Exams officers are responsible for submitting entries to Cambridge International. We encourage them to work closely with you to make sure they enter the right number of candidates for the right combination of syllabus components. Entry option codes and instructions for submitting entries are in the *Cambridge Guide to Making Entries*. Your exams officer has a copy of this guide.

Exam administration

To keep our exams secure, we produce question papers for different areas of the world, known as administrative zones. We allocate all Cambridge schools to one administrative zone determined by their location. Each zone has a specific timetable. Some of our syllabuses offer candidates different assessment options. An entry option code is used to identify the components the candidate will take relevant to the administrative zone and the available assessment options.

Support for exams officers

We know how important exams officers are to the successful running of exams. We provide them with the support they need to make your entries on time. Your exams officer will find this support, and guidance for all other phases of the Cambridge Exams Cycle, at www.cambridgeinternational.org/eoguide

Retakes and carry forward

Candidates can retake Cambridge International AS Level and Cambridge International A Level as many times as they want to. Information on retake entries is at www.cambridgeinternational.org/entries. To confirm what entry options are available for this syllabus, refer to the *Cambridge Guide to Making Entries* for the relevant series.

Candidates can carry forward the result of their Cambridge International AS Level assessment from one series to complete the Cambridge International A Level in a following series, subject to the rules and time limits described in the *Cambridge Handbook*.

Regulations for carrying forward entries for staged assessment (Cambridge International AS & A Level) can be found in the *Cambridge Handbook* for the relevant year of assessment at www.cambridgeinternational.org/eoguide

Equality and inclusion

We have taken great care to avoid bias of any kind in the preparation of this syllabus and related assessment materials. In our effort to comply with the UK Equality Act (2010) we have taken all reasonable steps to avoid any direct and indirect discrimination.

The standard assessment arrangements may present barriers for candidates with impairments. Where a candidate is eligible, we may be able to make arrangements to enable that candidate to access assessments and receive recognition of their attainment. We do not agree access arrangements if they give candidates an unfair advantage over others or if they compromise the standards being assessed.

Information on access arrangements is in the *Cambridge Handbook* at www.cambridgeinternational.org/eoguide

Language

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

After the exam

Grading and reporting

Grades A*, A, B, C, D or E indicate the standard a candidate achieved at Cambridge International A Level. A* is the highest and E is the lowest grade.

Grades a, b, c, d or e indicate the standard a candidate achieved at Cambridge International AS Level. 'a' is the highest and 'e' is the lowest grade.

'Ungraded' means that the candidate's performance did not meet the standard required for the lowest grade (E or e). 'Ungraded' is reported on the statement of results but not on the certificate. In specific circumstances your candidates may see one of the following letters on their statement of results:

- Q (PENDING)
- X (NO RESULT).

These letters do not appear 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 the AS Level components was sufficient to merit the award of a Cambridge International AS Level grade.

On the statement of results and certificates, Cambridge International AS & A Levels are shown as General Certificates of Education, GCE Advanced Subsidiary Level (GCE AS Level) and GCE Advanced Level (GCE A Level).

'Cambridge International A Levels are the 'gold standard' qualification. They are based on rigorous, academic syllabuses that are accessible to students from a wide range of abilities yet have the capacity to stretch our most able.'

Director of Studies, Auckland Grammar School, New Zealand

How students, teachers and higher education can use the grades

Cambridge International A Level

Assessment at Cambridge International A Level has two purposes:

- to measure learning and achievement

The assessment:

- confirms achievement and performance in relation to the knowledge, understanding and skills specified in the syllabus, to the levels described in the grade descriptions.

- to show likely future success

The outcomes:

- help predict which students are well prepared for a particular course or career and/or which students are more likely to be successful
- help students choose the most suitable course or career.

Cambridge International AS Level

Assessment at Cambridge International AS Level has two purposes:

- to measure learning and achievement

The assessment:

- confirms achievement and performance in relation to the knowledge, understanding and skills specified in the syllabus.

- to show likely future success

The outcomes:

- help predict which students are well prepared for a particular course or career and/or which students are more likely to be successful
- help students choose the most suitable course or career
- help decide whether students part way through a Cambridge International A Level course are making enough progress to continue
- guide teaching and learning in the next stages of the Cambridge International A Level course.

Grade descriptions

Grade descriptions are provided to give an indication of the standards of achievement candidates awarded particular grades are likely to show. Weakness in one aspect of the examination may be balanced by a better performance in some other aspect.

Grade descriptions for Cambridge International A Level Business will be published after the first assessment of the A Level in 2023. Find more information at www.cambridgeinternational.org/alevel

Changes to this syllabus for 2023, 2024 and 2025

The syllabus has been reviewed and revised for first examination in 2023.

You must read the whole syllabus before planning your teaching programme.

Changes to syllabus content	<ul style="list-style-type: none"> • The learner attributes and key concepts have been revised. • The syllabus aims have been refreshed. • At AS and A Level the subject content has been updated and refreshed so that it reflects current developments in each of the topic areas. • At A Level the content has been reorganised so that content relating to business strategy is integrated within each of the five topic areas. Strategy is no longer a separate topic. • The terminology has been updated to reflect changes in international standards for accounting. And the syllabus now includes formulae for ratios to support the analysis of published accounts. • A list of command words has been included.
Changes to assessment (including changes to specimen papers)	<ul style="list-style-type: none"> • The assessment objectives (AOs) have been clarified and small changes to their weightings have been made. • The number of papers has been changed. There are now two papers at A Level: Paper 3 and Paper 4. • The new titles of the four papers are: <ul style="list-style-type: none"> – Paper 1 Business Concepts 1 – Paper 2 Business Concepts 2 – Paper 3 Business Decision-Making – Paper 4 Business Strategy. • The duration for Paper 3 is 1 hour 45 minutes and has a weighting of 30%. The paper has 60 marks. • The duration for Paper 4 is 1 hour 15 minutes and has a weighting of 20%. The paper has 40 marks. • In Paper 3 candidates use a case study to answer all five questions. Questions 3 and 4 are split into parts. Candidates answer on the question paper and the case study is in an insert. • In Paper 4 candidates use a case study to answer both essay questions. • The mark schemes for Papers 1–3 have been revised, and there is a mark scheme for the new Paper 4. • The specimen assessment materials have been updated and include materials for the new Paper 4.

In addition to reading the syllabus, you should refer to the updated specimen papers. The specimen papers will help your students become familiar with exam requirements and command words in questions. The specimen mark schemes explain how students should answer questions to meet the assessment objectives.

Any textbooks endorsed to support the syllabus for examination from 2023 are suitable for use with this syllabus.



'While studying Cambridge IGCSE and Cambridge International A Levels, students broaden their horizons through a global perspective and develop a lasting passion for learning.'

Zhai Xiaoning, Deputy Principal, The High School Affiliated to Renmin University of China

Business Studies

Grades: 11 and 12

Subject code: 215 (Grade 11), 216 (Grade 12)

Credit hrs: 5

Working hrs: 160

1. Introduction

Business Studies is a broad subject in the social sciences, allowing the in-depth study of a range of specialties such as accountancy, finance, organisation, human resource management and marketing. To serve the same, the curriculum of this subject for Grades 11 and 12 has been prepared in line with the National Curriculum Framework-2076 to prepare the students for job market and for higher studies.

The main thrust of the course is to provide knowledge and skills to the students about management and its functions related to business. Establishing a proper linkage with the fundamental orientation of the attributes of Business Studies, this course also aims to impart in-depth knowledge so as to equip the students with workable tools and techniques of the management that ensures growth, success and sustainability of the business. Besides, the course aims to impart adequate knowledge and skills in drafting business letters. The curriculum also addresses some emerging issues of management. The value addition of this course is to prepare and enable the students in formulating business plans. The content of the business studies of Grade 11 and 12, thus, is a blend of theory and practice of different aspects of business management.

The curriculum includes the level-wise competencies, grade-wise learning outcomes, scope and sequence of contents along with the working hours, learning facilitation process, some suggested project activities and student assessment process.

2. Level-wise Competencies

By the end of the grade 12, the students will have the following competencies.

1. Explain the foundational knowledge of business, including principles and practices of business management.
2. Identify the ground realities on the operational aspects of business.
3. Describe key functional areas of business management.
4. Identify key management functions of a business organisation.
5. Demonstrate necessary skills to carry out business and office operations independently.
6. Develop creative behavior to implement noble ideas on business.
7. Draft business letters.
8. Prepare a business plan.

4. Scope and Sequence of Contents

Grade 11

S. N.	Content Area	Elaboration of Contents	Working hours
1	Introduction to Business	1.1 Business: an important human activity 1.2 Dimensions of business: service and commerce 1.3 Objectives of business 1.4 Functions of business 1.5 Business environment: meaning and components	10
2	Business Idea	2.1 Introduction to creativity and innovation 2.2 Basics of creative behaviour 2.3 Sources of business ideas: existing product, government policies, research and development, business actors network (buyers, suppliers, channel members and consultants)	8

3	Resource Mobilization	3.1 Major resources: financial, physical, human and informational 3.2 Financial resources: equity and debt capital, fixed and working capital, venture capital, mutual fund 3.3 Physical resources (land and building, machinery and parts, furniture and fixtures) 3.4 Human resources (recruitment, selection and retention) 3.5 Informational resources (intranet, extranet and internet)	15
4	Forms of Business Ownership	4.1 Introduction to common forms of business organizations ○ 4.2 Forms of business ownership a) Sole Trading Concern <ul style="list-style-type: none"> ▪ Introduction to sole trading concern ▪ Features of sole trading concern ▪ Reasons for starting sole trading concern ▪ Procedure of registration and renewals of sole trading concern in Nepal b) Partnership Firm <ul style="list-style-type: none"> ▪ Introduction to partnership firm ▪ Features of partnership firm ▪ Difference between sole trading concern and partnership firm ▪ Reasons for starting partnership business ▪ Challenges of partnership business ▪ Partnership deed and its contents ▪ Right and duties of partners ▪ Procedure of registration and renewal of partnership form in Nepal ▪ Modes of dissolution of partnership form in Nepal c) Company <ul style="list-style-type: none"> ▪ Introduction to public and private company ▪ of company business ▪ Features of company business ▪ Reasons for starting company business 	48

		<ul style="list-style-type: none"> ▪ Challenges to company business ▪ Registration process of a company in Nepal ▪ Main documents of company in Nepal: memorandum of association, articles of association, prospectus, certificate of incorporation, certificate of commencement ▪ Company meetings ▪ Procedure of winding-up of a company <p>d) Co-operatives</p> <ul style="list-style-type: none"> ▪ Introduction to co-operative organizations in Nepal ▪ Features of co-operative organizations ▪ Common forms of co-operative organizations ▪ Procedure of registration and renewal of co-operatives in Nepal ▪ Role of co-operatives in economic development of Nepal <p>e) Other Forms of Ownership</p> <ul style="list-style-type: none"> ▪ Public enterprises: concept, features and roles ▪ Multinational company: concept, features and roles <p>4.3 Factors influencing the choice of the form</p>	
5	Business Ethics and Social Responsibility	5.1 Introduction to business ethics 5.2 Ethical principles for business 5.3 Introduction to social responsibility of business 5.4 Areas of social responsibility	9
6	Risk and Insurance	6.1 Introduction to business risk 6.2 Role of insurance in business 6.3 General principles of insurance 6.4 Different types of insurance 6.5 Essentials of insurance contract	10
7	Taxation	7.1 Introduction to tax in business 7.2 Types of tax: direct tax & indirect tax 7.3 PAN: concept, registration process in Nepal	8
8	Office Management	8.1 Office: meaning, functions and importance 8.2 Information management: meaning and	12

	<p>importance</p> <p>8.3 Principles of information management</p> <p>8.4 Role of computer applications in record management</p> <p>8.5 Filing: meaning, purpose, types, management of electronic file</p> <p>8.6 Indexing: meaning, purpose, types, management of electronic index</p>	
Total		120

Grade 12

S. N.	Content Area	Elaboration of Contents	Working Hours
1	Nature of Management	<p>1.1 Management: meaning and essentials</p> <p>1.2 Management as science, art and profession</p> <p>1.3 Key management functions: planning, organizing, leading and controlling</p> <p>1.4 Levels of management</p>	12
2	Classical Management Perspective	<p>2.1 Scientific management: principles and limitations</p> <p>2.2 Administrative management: principles and limitations</p>	8
3	Planning and Decision Making	<p>3.1 Planning: Concept and rationale</p> <p>3.1 Process of planning</p> <p>3.2 Benefits and pitfalls of planning</p> <p>3.3 Types of plans</p> <p>3.4 Decision making: meaning and importance</p> <p>3.5 Types of managerial decisions</p> <p>3.6 Decision making conditions: certainty, risk and uncertainty</p> <p>3.7 Decision making process</p>	15
4	Organizing	<p>4.1 Organizing: concept and principles</p> <p>4.2 Organizing process</p> <p>4.3 Departmentalization: meanings and bases</p> <p>4.4 Types of organizational structure: simple, functional, divisional, matrix and committee</p>	25

		<p>4.5 Drivers of organizing: authority, responsibility and accountability</p> <p>4.6 Centralization and decentralization</p> <p>4.7 Arguments for and against centralization and Decentralization</p> <p>4.8 Guidelines for effective delegation of authority</p> <p>4.9 Challenges for effective delegation of authority</p> <p>4.10 Differences between delegation and decentralization of authority</p>	
5	Leading	<p>5.1 Leading: meaning and importance</p> <p>5.2 Role of manager as a leader</p> <p>5.3 Leadership qualities</p> <p>5.4 Leadership styles: autocratic, democratic and laissez faire</p>	8
6	Controlling	<p>6.1 Controlling: meaning and importance</p> <p>6.2 Process of control: Pre-control, concurrent control and post-control</p> <p>6.3 Essentials of effective control</p>	6
7	Other Management Functions	<p>7.1 Motivation: meaning and importance</p> <p>7.2 Techniques of motivation</p> <p>7.3 Theories of motivation:</p> <ul style="list-style-type: none"> • Maslow's Theory of Hierarchy of Needs • Herzberg's Dual Factors Theory <p>7.4 Supervision: meaning and role</p> <p>7.5 Factors influencing supervision</p> <p>7.6 Communication: meaning and importance</p> <p>7.7 Essentials of effective communication</p> <p>7.8 Types of communication: horizontal, vertical and diagonal</p> <p>7.9 Barriers to effective communication</p>	22

8	Contemporary Issues on Management	8.1 Conflict management: meaning, sources and level 8.2 Talent management: meaning and importance 8.3 Quality management: meaning and components 8.4 Supply chain management: meaning and importance 8.5 Family business management: nature, roles	16
9	Business Letter Writing	9.1 Business letter: meaning and uses 9.2 Structure of business letters 9.3 Qualities of business letters 9.4 Drafting of business letters: enquiry, order, confirmation, complaint and job application letter	15
10	Business Plan	9.5 Introduction to business plan 9.6 Significance of business plan 9.7 Contents of business plan 9.8 Formulation of business plan	8
Total			120