****

****

Knowledge

Organiser -

Theme 1

NAME:

**1.1 Meeting customer needs**

* + 1. **The market**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Term or Concept** | **Definition** | What are the characteristics of each market? | What is the typical market size? | What is the typical market share? | Who are the typical brands for each type of market? |
| Mass market |  |  |  |  |  |
| Niche market |  |  |  |  |  |
| **Term or Concept** | **Definition** |
| Dynamic markets  |  |

|  |  |  |  |
| --- | --- | --- | --- |
| **Term or Concept** | **Definition as an example of a dynamic market** | **1 Advantage of this type of market** | **1 Disadvantage of this type of market** |
| Online retailing  |  |  |  |
| **Term or Concept** | **Explain how this contributes to dynamic market** | **1 Advantage of this contribution to dynamic market changes**  | **1 Disadvantage of this contribution to dynamic market changes** |
| How markets change  |  |  |  |
| **Term or Concept** | **Explain how this contributes to dynamic market** | **1 Advantage of this contribution to dynamic market changes**  | **1 Disadvantage of this contribution to dynamic market changes** |
| Innovation and market growth  |  |  |  |

|  |  |  |  |
| --- | --- | --- | --- |
| **Term or Concept** | **Explain how this contributes to dynamic market** | **1 Advantages of this contribution to dynamic market changes**  | **1 Disadvantage of this contribution to dynamic market changes** |
| Adapting to change |  |  |  |
| **Term or Concept** | **Explain what this actually means.** | **1 Advantage to a business on how competition affects the market they operate in** | **1 Disadvantage to a business on how competition affects the market they operate in** |
| How competition affects the market |  |  |  |
| **Term or Concept** | **What does risk mean?** | **What does uncertainty mean?** | **1 major difference and 1 major similarity between risk and uncertainty** |
| The difference between risk and uncertainty |  |  |  |

* + 1. **Market research**

|  |  |  |  |
| --- | --- | --- | --- |
| **Term or Concept** | **What does product orientation mean? including an advantage and disadvantage**  | **What does market orientation mean?****including an advantage and disadvantage** | **1 major difference and 1 major similarity between product and market orientation**  |
| Product and market orientation |  |  |  |
| **Term or Concept** | **What does this term mean? Include 2 examples** | **2 Advantages of primary research**  | **2 Disadvantages of primary research** |
| Primary research  |  |  |  |
| **Term or Concept** | **What does this term mean? Include 2 examples** | **2 Advantages of secondary research**  | **2 Disadvantages of secondary research** |
| Secondary research  |  |  |  |
| **Term or Concept** | **What does this term mean? Include 2 examples** | **2 Advantages of quantitative research**  | **2 Disadvantages of quantitative research** |
| Quantitative research  |  |  |  |
| **Term or Concept** | **What does this term mean? Include 2 examples** | **2 Advantages of qualitative research**  | **2 Disadvantages of qualitative research** |
| Qualitative research  |  |  |  |

|  |  |  |
| --- | --- | --- |
| **Term or Concept** | **Explain why sample size is a limitation of market research** | **Explain why bias is a limitation of market research** |
| Limitations of market research, sample size and bias  |  |  |
| **Term or Concept** | **Using an example of a website explain how it can be used to support market research**  | **Using an example of a social networking tool explain how it can be used to support market research** | **Using an example of a database application explain how it can be used to support market research** |
| Use of ICT to support market research  |  |  |  |
| **Term or Concept** | **What does this term mean? Include 1 examples** | **1 Advantage of market segmentation**  | **1 Disadvantages of market segmentation** |
| Market segmentation  |  |  |  |

**1.1.3 Market positioning**

What does the term **market-mapping** mean? Draw an example using the company KFC

|  |  |  |
| --- | --- | --- |
| **Term or Concept** | **Explain how the purpose of product differentiation is to create a competitive advantage for a product/service** | **State 1 advantage and 1 disadvantage in using** **product differentiation is to create a competitive advantage for a product/service** |
| The purpose of product differentiation  |  |  |
| **Term or Concept** | **What does the term ‘adding value’ mean?** | **Give an example on how it works in the business world** |
| Adding value to products/services  |  |  |

* 1. **The Market**

**1.2.1 Demand**

|  |  |  |  |
| --- | --- | --- | --- |
| **Term or Concept** | **Explain why changes in the prices of substitutes and complementary goods creates a shift in the demand curve** | **Explain why changes in consumer incomes creates a shift in the demand curve** | **Explain why changes in fashion, tastes and preferences creates a shift in the demand curve** |
| Factors leading to a change in demand |  |  |  |
| **Term or Concept** | **Explain why advertising and branding creates a shift in the demand curve** | **Explain why changes in demographics creates a shift in the demand curve** | **Explain why external shocks creates a shift in the demand curve** |
| Factors leading to a change in demand |  |  |  |
| **Term or Concept** | **Explain why seasonality creates a shift in the demand curve** |
| Factors leading to a change in demand |  |

**1.2.2 Supply**

|  |  |  |  |
| --- | --- | --- | --- |
| **Term or Concept** | **Explain why changes in the cost of production creates a shift in the supply curve** | **Explain why the introduction of new technology would create a shift in the supply curve** | **Explain why a change in indirect taxes creates a shift in the supply curve** |
| Factors leading to a change in supply |  |  |  |
| **Term or Concept** | **Explain why the acceptance of government subsidies creates a shift in the supply curve** | **Explain why sudden external shocks would create a shift in the supply curve** |
| Factors leading to a change in demand |  |  |

**1.2.3 Markets**

First draw an example of a supply and demand diagram Now draw an example to show a shift in the demand curve to the right

**Use a different colour for the new curve Use a different colour for the new curve**

Thirdly, draw an example to show a shift in the demand curve to the left Fourthly, draw a new supply and demand curve and draw an example to

**use a different colour for the new curve** show a shift in the supply curve to the right

**Use a different colour for the new curve**

Fourthly, draw an example to show a shift in the supply curve to the left. **Use a different colour for the new curve**

\*On each of your supply and demand diagrams annotate different reasons for each of the shifts

**1.2.4 Price elasticity of demand**

|  |  |  |  |
| --- | --- | --- | --- |
| **Term or Concept** | **Write the formula for PED** | **From the following clip write down a worked example for the PED formula** <https://www.youtube.com/watch?v=MNiEHvw6TTg>  | **Explain why changes in fashion, tastes and preferences affect whether or not a product is elastic or inelastic** |
| Calculation of price elasticity of demand  |  |  |  |
| **Explain why whether or not the product is a necessity or luxury affects whether or not if it is elastic or inelastic** |
|  |

**1.2.4 Price elasticity of demand**

|  |  |  |
| --- | --- | --- |
| **Term or Concept** | **Why would competitive pricing be used when PED is elastic?** | **Why would competitive pricing be used when PED is inelastic?** |
| The significance of price elasticity of demand tobusinesses in terms of implications for pricing |  |  |
| Calculation and interpretation of the relationshipbetween price elasticity of demand and total revenue | If a product is **price inelastic** and its price is increased what would happen to its total revenue?  | If a product is **price inelastic** and its price is decreased what would happen to its total revenue?  |
|  | If a product is **price inelastic** and its price is increased what would happen to its total revenue? | If a product is **price inelastic** and its price is decreased what would happen to its total revenue?  |

**1.2.5 Income elasticity of demand**

|  |  |  |  |
| --- | --- | --- | --- |
| **Term or Concept** | **Write the formula for IED** | **From the following clip write down a worked example for the IED formula** <https://www.youtube.com/watch?v=LHv4SnEUcZA>  | **Explain why expectations of changes in income i.e. job loss affect whether or not a product is income elastic or inelastic** |
| Calculation of price elasticity of demand  |  |  |  |
| **Explain why whether or not the product is a necessity, inferior or luxury affects whether or not if it is income elastic or inelastic** |
|  |

**1.3 Marketing mix and strategy**

**1.3.1 Product service and design**

|  |  |
| --- | --- |
| **Term or Concept** | **Definition of the term Product/service design with an example** |
| Product/service design |  |

|  |  |  |  |
| --- | --- | --- | --- |
| **Term or Concept** | **Definition**  | **1 Advantages of taking into account this social trend in Product/service design mix** | **1 Disadvantage of taking into account this social trend in Product/service design mix** |
| Resource depletion - ***designing for waste******minimisation*** |  |  |  |
| **Term or Concept** | **Definition** | **1 Advantage of taking into account this social trend in Product/service design mix** | **1 Disadvantage of this contribution to dynamic market changes** |
| Resource depletion -***re-use and recycling*** |  |  |  |
| **Term or Concept** | **Definition** | **1 Advantage of taking into account this social trend in Product/service design mix** | **1 Disadvantage of this contribution to dynamic market changes** |
| Resource depletion -***ethical sourcing*** |  |  |  |

**1.3.2 Branding and promotion**

|  |  |  |  |
| --- | --- | --- | --- |
| **Term or Concept** | **Definition** | **1 Advantage of using this method of promotion** | **1 Disadvantage of using this method of promotion** |
| Types of promotion -***Personal selling*** |  |  |  |
| **Term or Concept** | **Definition** | **1 Advantage of using this method of promotion** | **1 Disadvantage of using this method of promotion** |
| Types of promotion -***Personal selling*** |  |  |  |
| **Term or Concept** | **Definition** | **1 Advantage of using this method of promotion** | **1 Disadvantage of using this method of promotion** |
| Types of promotion -***Direct marketing*** |  |  |  |
| **Term or Concept** | **Definition** | **1 Advantages of using this method of promotion** | **1 Disadvantages of using this method of promotion** |
| Types of promotion -***Public relations*** |  |  |  |
| **Term or Concept** | **Definition** | **1 Advantage of using this method of promotion** | **1 Disadvantage of using this method of promotion** |
| Types of promotion -***sponsorship*** |  |  |  |
| **Term or Concept** | **Definition** | **1 Advantage of using this method of promotion** | **1 Disadvantage of using this method of promotion** |
| Types of promotion -***Sales promotions (buy 1 get 1 free, price discounts, samples etc*** |  |  |  |
| **Term or Concept** | **Definition** | **1 Advantage of using this method of promotion** | **1 Disadvantage of using this method of promotion** |
| Types of promotion -***Social media*** |  |  |  |

|  |  |  |  |
| --- | --- | --- | --- |
| **Term or Concept** | **Definition** | **1 Advantage of using this method of branding** | **1 Disadvantage of using this method of branding**  |
| Types of branding***Manufacturer/******corporate branding*** |  |  |  |
| **Term or Concept** | **Definition** | **1 Advantage of using this method of branding** | **1 Disadvantage of using this method of branding**  |
| Types of branding***Own label branding*** |  |  |  |

|  |  |  |
| --- | --- | --- |
| Benefits of strong branding***Added value*****Why is this a benefit of branding?** | Benefits of strong branding***Ability to charge premium prices*** **Why is this a benefit of branding?** | Benefits of strong branding***Reduced price elasticity of demand*** **Why is this a benefit of branding?** |
|  |  |  |

|  |  |  |
| --- | --- | --- |
| Way to build a brand ***USP (unique selling point)*** **How can this be used to build a brand?**  | Way to build a brand ***sponsorship*****How can this be used to build a brand?** | Way to build a brand ***the use of social media*****How can this be used to build a brand?** |
|  |  |  |

|  |  |  |  |
| --- | --- | --- | --- |
| **Term or Concept** | **Definition** | **1 Advantage of using this method of branding** | **1 Disadvantage of using this method of branding**  |
| Changes in branding and promotion to reflect socialtrends:***Viral marketing*** |  |  |  |
| **Term or Concept** | **Definition** | **1 Advantage of using this method of branding** | **1 Disadvantage of using this method of branding**  |
| Changes in branding and promotion to reflect socialtrends:***social media*** |  |  |  |
| **Term or Concept** | **Definition** | **1 Advantages of using this method of branding** | **1 Disadvantages of using this method of branding**  |
| Changes in branding and promotion to reflect socialtrends:***emotional branding*** |  |  |  |

**1.3.3 Pricing strategies**

|  |  |  |  |
| --- | --- | --- | --- |
| **Term or Concept** | **Definition** | **1 Advantage of using this method of pricing** | **1 Disadvantage of using this method of pricing**  |
| Pricing strategies***Cost plus pricing***  |  |  |  |
| **Term or Concept** | **Definition** | **1 Advantage of using this method of pricing** | **1 Disadvantage of using this method of pricing**  |
| Pricing strategies***Price skimming*** |  |  |  |

|  |  |  |  |
| --- | --- | --- | --- |
| **Term or Concept** | **Definition** | **1 Advantage of using this method of pricing** | **1 Disadvantage of using this method of pricing**  |
| Pricing strategies***Penetration pricing***  |  |  |  |
| **Term or Concept** | **Definition** | **1 Advantage of using this method of pricing** | **1 Disadvantage of using this method of pricing**  |
| Pricing strategies***Predatory pricing***  |  |  |  |
| **Term or Concept** | **Definition** | **1 Advantages of using this method of pricing** | **1 Disadvantages of using this method of pricing**  |
| Pricing strategies***Competitive pricing***  |  |  |  |

|  |  |  |  |
| --- | --- | --- | --- |
| **Term or Concept** | **Definition** | **1 Advantage of using this method of pricing** | **1 Disadvantage of using this method of pricing**  |
| Pricing strategies***psychological pricing***  |  |  |  |

|  |  |  |
| --- | --- | --- |
| How can the **number of USPs/amount of differentiation** determine the most appropriate pricing strategy for a particular situation? | How can **price elasticity of demand** determine the most appropriate pricing strategy for a particular situation? | How can the **level of competition in the business environment** determine the most appropriate pricing strategy for a particular situation? |
|  |  |  |
| How can the **strength of brand** determine the most appropriate pricing strategy for a particular situation? | How can the **stage in the product life cycle** determine the most appropriate pricing strategy for a particular situation? | How can the **costs and the need to make a profit** determine the most appropriate pricing strategy for a particular situation? |
|  |  |  |

|  |  |
| --- | --- |
| How has the popularity of **online sales** created a climate of competitive pricing? | How has the popularity of **price comparison sites** created a climate of competitive pricing? |
|  |  |

**1.3.4 Distribution**

Draw and label the Two-stage distribution channel

Draw and label the Three-stage distribution channel

Draw and label the Four-stage distribution channel

|  |
| --- |
| How has the popularity of **online distribution** affected music, films, serials, documentaries? |
|  |

**1.3.5 Marketing strategy**

Draw and label the Product life cycle

|  |  |
| --- | --- |
| Identify an example on how **product extension strategy** could be used for iPhone x? i.e. iPhone 10 | Identify an example on how **promotion extension strategy** could be used for Sky TV subscriptions?? |
|  |  |

Draw and label the Boston matrix

|  |  |  |  |
| --- | --- | --- | --- |
| **Term or Concept** | **Definition** | **1 Advantage of creating a product portfolio** | **1 Disadvantage of creating a product portfolio** |
| Product portfolio |  |  |  |
| **Term or Concept** | **Definition** | **2 marketing strategies that can be used for this type of market** |
| Mass market |  |  |
| **Term or Concept** | **Definition** | **2 marketing strategies that can be used for this type of market** |
| Niche market |  |  |
| **Term or Concept** | **Definition** | **2 marketing strategies that can be used for this type of market** |
| Niche market |  |  |

**Complete the Venn diagram below**

Business to Business Marketing (B2C)

Business to Consumer Marketing (B2C)

|  |  |
| --- | --- |
| How can **effective customer service** develop customer loyalty? | How can **customer loyalty cards** develop customer loyalty? |
|  |  |

**1.4 Managing people**

**1.4.1 - Approaches to staffing**

Identify where the following should be placed in each column: adding value, effective customer service, recruitment, training, remuneration (wages and salaries), welfare, and severance

|  |  |
| --- | --- |
| ***Staff as a cost*** | ***Staff as a benefit*** |
|  |  |
| ***Term or Concept*** | ***Definition*** | ***1 Advantage of using this flexible workforce method*** | ***1 Disadvantage of using this flexible workforce method*** |
| *Flexible workforce****Multi skilling*** |  |  |  |
| ***Term or Concept*** | ***Definition*** | ***1 Advantage of using this this flexible workforce method*** | ***1 Disadvantage of using this flexible workforce method*** |
| *Flexible workforce****Part time*** |  |  |  |
| ***Term or Concept*** | ***Definition*** | ***1 Advantage of using this flexible workforce method*** | ***1 Disadvantage of using this this flexible workforce method*** |
| *Flexible workforce****Home working*** |  |  |  |
| ***Term or Concept*** | ***Definition*** | ***1 Advantage of using this flexible workforce method*** | ***1 Disadvantage of using this this flexible workforce method*** |
| *Flexible workforce****Flexible hours*** |  |  |  |
| ***Term or Concept*** | ***Definition*** | ***1 Advantage of using this flexible workforce method*** | ***1 Disadvantage of using this this flexible workforce method*** |
| *Flexible workforce****Outsourcing*** |  |  |  |

|  |  |  |  |
| --- | --- | --- | --- |
| **Term or Concept** | **Definition** | **Term or Concept** | **Definition** |
| Dismissal |  | Redundancy  |  |

|  |  |  |  |
| --- | --- | --- | --- |
| **Term or Concept** | **Definition** | **Term or Concept** | **Definition** |
| Employer/employee relationships-**individual approach** |  | Employer/employee relationships-**collective bargaining** |  |

**1.4.2 Recruitment, training, and selection**

Identify the different stages in the recruitment process:

|  |  |  |  |
| --- | --- | --- | --- |
| **Term or Concept** | **Definition** | **1 Advantage of this method of recruitment**  | **1 Disadvantage of this method of recruitment** |
| Internal recruitment  |  |  |  |
| **Term or Concept** | **Definition** | **1 Advantage of this method of recruitment** | **1 Disadvantage of this method of recruitment** |
| External recruitment  |  |  |  |

|  |  |  |
| --- | --- | --- |
| Why is **advertising** a cost of recruitment? | Why is **expenses** a cost of selection? | Why is **recruitment agency fees** a cost of recruitment, selection and training? |
|  |  |  |

|  |  |  |  |
| --- | --- | --- | --- |
| **Term or Concept** | **Definition** | **1 Advantage of this method of training**  | **1 Disadvantage of method of training** |
| Induction training  |  |  |  |
| **Term or Concept** | **Definition** | **1 Advantage of this method of training**  | **1 Disadvantage of method of training** |
| On the job training  |  |  |  |
| **Term or Concept** | **Definition** | **1 Advantage of this method of training**  | **1 Disadvantage of method of training** |
| Off the job training  |  |  |  |

**1.4.3 Organisational design**

|  |  |  |  |
| --- | --- | --- | --- |
| **Term or Concept** | **Definition** | **2 Advantages of a Tall hierarchy**  | **2 Disadvantages of a Tall hierarchy** |
| Structure:***Hierarchy***   |  |  |  |
| **Term or Concept** | **Definition** | **2 Advantages of a Long chain of command** | **2 Disadvantages of a Short chain of command** |
| Structure:***Chain of command*** |  |  |  |
| **Term or Concept** | **Definition** | **2 Advantages of a Wide span of control**  | **2 Disadvantages of a Short span of control** |
| Structure:***Span of control***   |  |  |  |
| **Term or Concept** | **Definition** | **2 Advantages of a centralised structure**  | **2 Disadvantages of a decentralised structure** |
| Structure:***Centralised structure***   |  |  |  |
| **Term or Concept** | **Definition** | **2 Advantage of a decentralised structure**  | **2 Disadvantages of a decentralised structure** |
| Structure:***decentralised structure***   |  |  |  |

**1.4.4 Motivation in theory and practise**

|  |  |  |
| --- | --- | --- |
| Why can **productivity** be a benefit of employee motivation? | Why can **employee reliability and loyalty** be a benefit of employee motivation? | Why can **low labour turnover rates** be a benefit of employee motivation? |
|  |  |  |

|  |  |  |  |
| --- | --- | --- | --- |
| **Term or Concept** | **Definition** | **1 Advantage of using this theory**  | **1 Disadvantage of using this theory** |
| Motivation theories:***Taylors (scientific management)*** |  |  |  |
| **Term or Concept** | **Definition** | **1 Advantage of using this theory**  | **1 Disadvantage of using this theory** |
| Motivation theories:***Mayo (human relations theory)*** |  |  |  |

|  |  |  |  |
| --- | --- | --- | --- |
| **Term or Concept** | **Definition** | **1 Advantage of using this theory**  | **1 Disadvantage of using this theory** |
| Motivation theories:***Maslow (hierarchy of needs)*** |  |  |  |
| **Term or Concept** | **Definition** | **1 Advantage of using this theory**  | **1 Disadvantage of using this theory** |
| Motivation theories:***Herzberg (2 factor theory)*** |  |  |  |

|  |  |  |  |
| --- | --- | --- | --- |
| **Term or Concept** | **Definition** | **1 Advantage of using this financial incentive to improve employee performance** | **1 Disadvantage of using of using this financial incentive to improve employee performance** |
| Financial incentives to improve employee performance:***Piecework*** |  |  |  |

|  |  |  |  |
| --- | --- | --- | --- |
| **Term or Concept** | **Definition** | **1 Advantage of using this financial incentive to improve employee performance** | **1 Disadvantage of using of using this financial incentive to improve employee performance** |
| Financial incentives to improve employee performance:***Commission*** |  |  |  |
| **Term or Concept** | **Definition** | **1 Advantage of using this financial incentive to improve employee performance** | **1 Disadvantage of using of using this financial incentive to improve employee performance** |
| Financial incentives to improve employee performance:***Bonus*** |  |  |  |
| **Term or Concept** | **Definition** | **1 Advantage of using this financial incentive to improve employee performance** | **1 Disadvantage of using of using this financial incentive to improve employee performance** |
| Financial incentives to improve employee performance:***Profit share*** |  |  |  |

|  |  |  |  |
| --- | --- | --- | --- |
| **Term or Concept** | **Definition** | **1 Advantage of using this financial incentive to improve employee performance** | **1 Disadvantage of using of using this financial incentive to improve employee performance** |
| Financial incentives to improve employee performance:***Performance related pay*** |  |  |  |
| **Term or Concept** | **Definition** | **1 Advantage of using this non-financial incentive to improve employee performance** | **1 Disadvantage of using of using this non-financial incentive to improve employee performance** |
| Non-Financial incentives to improve employee performance:***Delegation*** |  |  |  |
| **Term or Concept** | **Definition** | **1 Advantage of using this non-financial incentive to improve employee performance** | **1 Disadvantage of using of using this non-financial incentive to improve employee performance** |
| Non-Financial incentives to improve employee performance:***Consultation*** |  |  |  |
| **Term or Concept** | **Definition** | **1 Advantage of using this non-financial incentive to improve employee performance** | **1 Disadvantage of using of using this non-financial incentive to improve employee performance** |
| Non-Financial incentives to improve employee performance:***empowerment*** |  |  |  |
| **Term or Concept** | **Definition** | **1 Advantage of using this non-financial incentive to improve employee performance** | **1 Disadvantage of using of using this non-financial incentive to improve employee performance** |
| Non-Financial incentives to improve employee performance:***Team working*** |  |  |  |
| **Term or Concept** | **Definition** | **1 Advantage of using this non-financial incentive to improve employee performance** | **1 Disadvantage of using of using this non-financial incentive to improve employee performance** |
| Non-Financial incentives to improve employee performance:***Flexible working*** |  |  |  |
| **Term or Concept** | **Definition** | **1 Advantage of using this non-financial incentive to improve employee performance** | **1 Disadvantage of using of using this non-financial incentive to improve employee performance** |
| Non-Financial incentives to improve employee performance:***Job enrichment*** |  |  |  |

|  |  |  |  |
| --- | --- | --- | --- |
| **Term or Concept** | **Definition** | **1 Advantage of using this non-financial incentive to improve employee performance** | **1 Disadvantage of using of using this non-financial incentive to improve employee performance** |
| Non-Financial incentives to improve employee performance:***Job enlargement***  |  |  |  |
| **Term or Concept** | **Definition** | **1 Advantage of using this non-financial incentive to improve employee performance** | **1 Disadvantage of using of using this non-financial incentive to improve employee performance** |
| Non-Financial incentives to improve employee performance:***Job rotation*** |  |  |  |

**1.4.5 Leadership**

Complete the Venn diagram below

Management

Leadership

|  |  |  |  |
| --- | --- | --- | --- |
| **Term or Concept** | **Definition** | **2 Advantages of this leadership style** | **2 Advantages of this leadership style** |
| Types of Leadership style:***Autocratic***  |  |  |  |

|  |  |  |  |
| --- | --- | --- | --- |
| **Term or Concept** | **Definition** | **2 Advantages of this leadership style** | **2 Advantages of this leadership style** |
| Types of Leadership style:***Paternalistic***  |  |  |  |
| **Term or Concept** | **Definition** | **2 Advantages of this leadership style** | **2 Advantages of this leadership style** |
| Types of Leadership style:***Democratic***  |  |  |  |
| **Term or Concept** | **Definition** | **2 Advantages of this leadership style** | **2 Advantages of this leadership style** |
| Types of Leadership style:***Laissez-faire*** |  |  |  |

**1.5 Entrepreneurs and leaders**

**1.5.1 Role of an entrepreneur**

|  |  |  |  |
| --- | --- | --- | --- |
| **Term or Concept** | **Definition** | **1 Advantage of encouraging intrapreneurship in an organisation**  | **1 Disadvantage of encouraging intrapreneurship in an organisation** |
| Intrapreneurship |  |  |  |

|  |  |  |
| --- | --- | --- |
| Explain how **entrepreneurial capacity** is a barrier to entrepreneurship. | Explain how **access to finance** is a barrier to entrepreneurship. | Explain how **lack of training/know how** is a barrier to entrepreneurship. |
|  |  |  |
| Explain how **lack of confidence** is a barrier to entrepreneurship. |
|  |

**Complete the Venn diagram below**

Risk

Uncertainty

**1.5.2 Entrepreneurial motives and characteristics**

|  |  |  |
| --- | --- | --- |
| Why is **creativity** an entrepreneurial characteristic? | Why is **hardworking** an entrepreneurial characteristic? | Why is **resilience** an entrepreneurial characteristic? |
|  |  |  |
| Why is **initiative** an entrepreneurial characteristic? | Why is **self confidence** an entrepreneurial characteristic? | Why is **risk taking** an entrepreneurial characteristic? |
|  |  |  |
| Why is **communication** an entrepreneurial skill? | Why is **team working** an entrepreneurial characteristic? | Why is **problem solving** an entrepreneurial characteristic? |
|  |  |  |

|  |  |  |
| --- | --- | --- |
| Why is **talking an ethical stance** a reason why people set up businesses? | Why is **independence** a reason why people set up businesses? | Why is **social entrepreneurship** a reason why people set up businesses? |
|  |  |  |
| Why is **independence** a reason why people set up businesses? | Why is **homeworking** a reason why people set up businesses? |
|  |  |

**1.5.3 Business objectives**

|  |  |  |  |
| --- | --- | --- | --- |
| **Term or Concept** | **Definition** | **1 Advantage of pursuing profit maximisation**  | **1 Disadvantage of pursuing profit maximisation** |
| Profit maximisation |  |  |  |
| **Term or Concept** | **Definition** | **1 Advantage of pursuing profit satisficing**  | **1 Disadvantage of pursuing profit satisficing** |
| Profit satisficing  |  |  |  |
| **Term or Concept** | **Definition** | **What type of situation would a business pursue this objective?**  |
| Sales maximisation |  |  |

|  |  |  |
| --- | --- | --- |
| **Term or Concept** | **Definition** | **What type of situation would a business pursue this objective?**  |
| Market share |  |  |
| **Term or Concept** | **Definition** | **What type of situation would a business pursue this objective?**  |
| Cost efficiency  |  |  |
| **Term or Concept** | **Definition** | **What type of situation would a business pursue this objective?**  |
| Market share |  |  |

|  |  |  |
| --- | --- | --- |
| **Term or Concept** | **Definition** | **What type of situation would a business pursue this objective?**  |
| Employee welfare |  |  |
| **Term or Concept** | **Definition** | **What type of situation would a business pursue this objective?**  |
| Customer satisfaction |  |  |
| **Term or Concept** | **Definition** | **What type of situation would a business pursue this objective?**  |
| Social objectives |  |  |

**1.5.4 Forms of Business**

|  |  |  |  |
| --- | --- | --- | --- |
| **Term or Concept** | **Definition** | **2 Advantages of this type of business ownership** | **2 Disadvantages of this type of business ownership** |
| Form of business:***Sole trader***  |  |  |  |
| **Term or Concept** | **Definition** | **2 Advantages of this type of business ownership** | **2 Disadvantages of this type of business ownership** |
| Form of business:***Partnership***  |  |  |  |
| **Term or Concept** | **Definition** | **2 Advantages of this type of business ownership** | **2 Disadvantages of this type of business ownership** |
| Form of business:***Private limited company (LTD)***  |  |  |  |

|  |  |  |  |
| --- | --- | --- | --- |
| **Term or Concept** | **Definition** | **2 Advantages of this type of business ownership** | **2 Disadvantages of this type of business ownership** |
| Form of business:***Public limited company (PLC)***  |  |  |  |
| **Term or Concept** | **Definition** | **2 Advantages of this type of business ownership** | **2 Disadvantages of this type of business ownership** |
| Form of business:***Lifestyle business***  |  |  |  |
| **Term or Concept** | **Definition** | **2 Advantages of this type of business ownership** | **2 Disadvantages of this type of business ownership** |
| Form of business:***Online business***  |  |  |  |

|  |  |  |
| --- | --- | --- |
| Why is **securing more finance** a reason why a business would want to become a PLC and float its shares on the stock market? | Why is **share risk** a reason why a business would want to become a PLC and float its shares on the stock market? | Why is **extend decision making** a reason why people set up businesses? |
|  |  |  |

**1.5.5 Business choices**

|  |  |  |  |
| --- | --- | --- | --- |
| **Term or Concept** | **Definition** | **Term or Concept** | **Definition** |
| Opportunity cost |  | Trade off |  |

**1.5.6 Moving from entrepreneur to leader**

|  |  |  |
| --- | --- | --- |
| Why can **the need to delegate** sometimes a difficulty for an entrepreneur moving to a leader?  | Why can **the need to trust and verify** sometimes a difficulty for an entrepreneur moving to a leader? | Why can **learning to listen** sometimes a difficulty for an entrepreneur moving to a leader? |
|  |  |  |
| Why can **the need to have an open mind** sometimes a difficulty for an entrepreneur moving to a leader?  | Why can **the need to be less reactive** sometimes a difficulty for an entrepreneur moving to a leader? | Why can **developing emotional intelligence sometimes** a difficulty for an entrepreneur moving to a leader? |
|  |  |  |