

Name:

Unit 1 Exploring Businesses: Assignment 2 Checklist

Learning Aim C: Examine the environment in which businesses operate.

Learning Aim D: Examine business markets.

Task	Completed?	Comments
Internal Environment <ul style="list-style-type: none">• What is corporate culture?• What does the corporate culture of the business look like?• What is the impact of this on the business?• What is CSR?• How does the business demonstrate its CSR?• What is the impact of this on the business?• How much does CSR affect the business?• What changes might they need to make in the future to maintain a competitive advantage linked to CSR?		
Competitive Environment <ul style="list-style-type: none">• Does the business operate on a local, national, or international scale?• How much competition does the business face and who are its main competitors?• How does the business try and gain a competitive advantage?		
PESTLE Analysis Political <ul style="list-style-type: none">• Using examples, explain the purpose of fiscal policy.• Identify and explain how two political factors affect the business. (Fiscal policy etc).• Analyse the impact of the political factors on the business and its decision making.• Which political factor affects the business to the greatest extent and why?• Overall, how much is the business affected by political factors?		

PESTLE Analysis

Economic

- What is economic growth and how is it measured?
- Explain the four stages of the economic cycle and identify the current position of the UK economy.
- Explain the impact of the economic conditions on the business and its decision making.
- Using examples, explain the purpose of monetary policy.
- Explain how monetary policy could impact the business and its decision making.
- What are exchange rates and how can they impact the business?
- How can changes in exchange rates impact the business and its decision making?
- Which economic factor affects the business to the greatest extent and why?
- Overall, how much is the business affected by economic factors?
- To what extent does it affect their decisions and operations?

PESTLE Analysis

Social

- What is meant by social issues?
- Identify two social issues facing the business.
- Explain how each social issue can impact the business and its decision making.
- How has the business responded to each social issue?
- Which social factor affects the business to the greatest extent?
- Overall, how much is the business affected by social factors?

<p>PESTLE Analysis</p> <p>Technology</p> <ul style="list-style-type: none"> • Identify two ways that the business uses technology. • Explain the impacts on the business of using technology. • If the business does not use technology, what are the impacts of this? • To what extent does technology impact the decisions of the business? • What new technology might they consider using in the future? 		
<p>PESTLE Analysis</p> <p>Environmental</p> <ul style="list-style-type: none"> • Identify two environmental issues the business must consider. • How does the business demonstrate that it is environmentally friendly? • Why is it important for the business to be environmentally friendly? • What is the impact of being environmentally friendly? • To what extent do environmental factors impact the business and its decision making and could this affect the business more in the future? <p>Ethical</p> <ul style="list-style-type: none"> • Identify to ethical issues the business must consider. • How does the business demonstrate that it is ethical? • Why is it important for the business to be ethical? • What are the impacts of being ethical? • To what extent do ethics affect the business and its decision making? 		
<p>PESTLE Analysis</p> <p>Legal</p> <ul style="list-style-type: none"> • Identify two laws that the business must follow. • Why is it important for the business to follow these laws? • What is the impact of these laws on the business? 		

<ul style="list-style-type: none"> To what extent do legal factors affect the business and its decision making? <p>Conclusion</p> <ul style="list-style-type: none"> Overall, how much do external factors influence the business? What changes have external factors caused for the business? What changes might the business need to make in the future to respond to the external factors affecting it? 		
<p>SWOT Analysis</p> <ul style="list-style-type: none"> What is a SWOT analysis? Explain the internal and external elements of a SWOT analysis. <p>Strengths</p> <ul style="list-style-type: none"> Identify two or three strengths of the business. Explain the impacts of each strength on the business. To what extent do the strengths impact the business and its competitive position? 		
<p>SWOT Analysis</p> <p>Weaknesses</p> <ul style="list-style-type: none"> Identify two or three weaknesses of the business. Explain the impacts of each weakness on the business. To what extent do the weaknesses impact the business and its competitive position? How could the business improve these weaknesses in the future? 		
<p>SWOT Analysis</p> <p>Opportunities</p> <ul style="list-style-type: none"> Identify two or three opportunities that the business could take advantage of. How could these opportunities impact the business? To what extent do the opportunities impact the decision making of the business? How could the business take advantage of these opportunities? 		

<p>SWOT Analysis</p> <p>Threats</p> <ul style="list-style-type: none"> • Identify 2 or three threats which could threaten the success of the business. • How could the threats potentially impact the business? • How could the business look to minimise the threats in the future? • To what extent do the threats impact the business and is decision making? • What changes could the business make in response to the SWOT analysis? • How might the business need to change in the future to be in a better competitive position? 		
<p>Porter's Five Forces</p> <ul style="list-style-type: none"> • Explain how and why Porter's Five Forces is used by businesses. <p>Threat of New Entrants</p> <ul style="list-style-type: none"> • What industry does the business operate in? • What barriers to entry would prevent new competitors from entering the market? • To what extent is the business threatened by new entrants into the market and how does this impact the business? 		
<p>Porter's Five Forces</p> <p>Threat of Substitutes</p> <ul style="list-style-type: none"> • How does the business perform in relation to its competitors? • What does this suggest about customer loyalty? • What are the substitute products or services competing with your business? • What are the impacts of these substitutes on the business? • To what extent do these substitutes currently impact the business? 		

<p>Porter's Five Forces</p> <p>Bargaining Power of Customers</p> <ul style="list-style-type: none"> • Who are the customers of the business? • How often do the customers purchase from the business and how much do they usually spend? • How much power do customers have over the prices and how can this impact the business? • To what extent do customers affect the decisions of the business? 		
<p>Porter's Five Forces</p> <p>Bargaining Power of Suppliers</p> <ul style="list-style-type: none"> • Who are the suppliers of the business and where are they based? • What is the relationship like between the business and its suppliers? • How might the suppliers affect the products that are sold by the business? • Do the suppliers of the business have power and how can they impact the business and its decision making? 		
<p>Porter's Five Forces</p> <p>Degree of Competitive Rivalry</p> <ul style="list-style-type: none"> • Using the evidence gathered, explain the level of competitive rivalry in the market that the business operates in. • How does the business compete? (Price wars, promotion, etc) • What is the impact of this on the business? • Overall, which of Porter's five forces has the greatest impact on the business? • What has the business done to respond to the forces and what changes might they need to make in the future to keep its competitive position? 		

<p>Business Markets</p> <ul style="list-style-type: none"> • Describe the characteristics of the following market structures; Perfect competition, Imperfect competition, Monopoly, Oligopoly and Monopolistic competition. • Which structure does the business operate in and how does this impact the business and its decision making? • How has the market changed and how has the business responded to this? 		
<p>Supply & Demand and Pricing & Output</p> <ul style="list-style-type: none"> • What is meant by supply and demand? • How do supply and demand affect pricing decisions and output decisions for the business? • What is price elasticity of demand and how does it impact the prices set by the business? 		
<p>Factors Affecting Demand</p> <ul style="list-style-type: none"> • Explain how Affordability, Competition, GDP, Substitutes and Consumer needs and aspirations can affect demand for the business. • How do each of these factors impact the business? (Link to elasticity of demand) • How has the business responded to changes in demand and how might it respond to changes in the future? • 		
<p>Factors Affecting Supply</p> <ul style="list-style-type: none"> • Explain how the following factors can affect the supply for the business; Availability of raw materials and labour, Government, Ability to produce profitably and Logistics. • How has each of these factors changed over time? • What has been the impact on the business? • How has the business responded to the changes and how might it respond to changes in the future? 		

<p>Pricing and Output Decisions</p> <ul style="list-style-type: none">• How does the market structure the business operates in impact their pricing and output decisions?• To what extent are they able to set prices and why?• How much do they produce and sell?• Are the prices of the business influenced by the competitors?• If they increase/decrease the prices - how will this impact the amount the business will need to supply to the market?		
<p>Evaluation</p> <ul style="list-style-type: none">• Overall, how has the business responded to changes in the market?• Identify three changes in the market and outline how the business has responded to each change.• Evaluate the importance of responding to changes in the market for the business.		