

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

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

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

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

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

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

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