

# **BTEC Level 1-2 First Award in Business**

**First teaching September 2018**

## **Sample Marked Learner Work**

**SECTOR: Business**

**Unit 3: Enterprise in the Business World**

**Learning Aim A – Know how trends and the current business environment may impact on a business**

**PASS level**

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You will need to refer to the appropriate specification alongside these sample materials.

### Note:

- The Authorised Assignment Brief (AAB) used for generating this learner work is the same as the one provided by Pearson. Centres are expected to get the AAB fully internally verified prior to being issued to the learners.
- The learner work generated is an exemplar of standard for a particular Learning Aim(s) and grade(s), and **NOT** a response to the entire task detailed in the Authorised Assignment Briefs. We therefore expect centres to use this resource to exemplify how to structure a response to a task. We also encourage centres to use this work to standardise their Assessment teams and demonstrate to learners the level of work expected to achieve the different targeted grades outcome.

## BTEC Assignment Brief

<b>Qualification</b>	BTEC Level 1 - 2 First Award in Business
<b>Unit number and title</b>	3: Enterprise in the Business World
<b>Learning aim(s)</b>	A: Know how trends and the current business environment may impact on a business
<b>Assignment title</b>	The Business Environment – Factors and Trends
<b>Assessor</b>	H Savros
<b>Issue date</b>	October 8 <sup>th</sup>
<b>Hand in deadline</b>	October 26 <sup>th</sup>

<b>Vocational Scenario or Context</b>	<p>You have decided that you would like to put your business ideas into practice and start your own business.</p> <p>You have spoken with a local business advisor who has advised you that you will need to write a business plan based on your research of your locality.</p> <p>Your first task will be to research and report back on the current business environment and the impact that this has on start-up businesses.</p>
<b>Task 1</b>	<p>Your business advisor has asked you to write a report that considers the factors of the business environment and the trends that may affect your start-up business.</p> <p>Research</p> <p>Your first task will be to carry out some research to find out about the current business environment and trends, and the impact that this has on start-up businesses. You should collect reliable information on both national and local factors and current trends, and use this information and relevant examples to support your report.</p> <p>Report for the business advisor</p> <p>Part A</p> <p>This part of your report will show the likely of effect of local and national factors on your start-up business, and the likely impact on your business if these factors were to change.</p> <p>The report must consider the following:</p>

	<ul style="list-style-type: none"> <li>• national factors e.g.             <ul style="list-style-type: none"> <li>o political issues</li> <li>o government support</li> <li>o taxation</li> <li>o the economy</li> </ul> </li> <li>• local factors e.g.             <ul style="list-style-type: none"> <li>o location</li> <li>o resource requirements</li> </ul> </li> </ul> <p>Part B This part of your report will show the likely impact of current trends on your start-up business.</p> <p>You must consider the following trends:</p> <ul style="list-style-type: none"> <li>• technology trends</li> <li>• economic trends</li> <li>• cultural trends</li> <li>• ethical trends</li> <li>• political trends</li> </ul> <p>To support your argument you also need to demonstrate how these trends have impacted on a local start-up business.</p> <ul style="list-style-type: none"> <li>• Select one local start-up business that is comparable to your business idea</li> <li>• Select two trends from the list above</li> <li>• Compare the impact of these trends on chosen local start-up business you have selected, identifying the similarities and the differences.</li> </ul> <p>Part C The business advisor wants to know if your start-up business can succeed in the current business environment.</p> <p>Bring your report to a close by carefully considering how the current risks, opportunities and trends in the business environment could affect your business start-up, identifying which are the most important or relevant, and arriving at a conclusion that is supported by your research.</p>
<b>Checklist of evidence required</b>	<p>Individual report to include relevant examples.</p> <p>Supporting research.</p>
<b>Criteria covered by this task:</b>	
Unit/Criteria reference	To achieve the criteria you must show that you are able to:
2A.D1	Assess the current risks, opportunities and trends in the business environment for a start-up business.
2A.M1	Explain how changes in the current business environment are likely to impact on a start-up business.
2A.M2	Compare how two trends have impacted on a start-up business.
2A.P1	Outline how the business environment can impact on a start-up business.
2A.P2	Explain how current trends will impact on a start-up business.

<p><b>Sources of information to support you with this Assignment</b></p>	<p>Books            BTEC First Business Student Book, Bentley, P., Carysforth, C., Chandler-Corris, L., Glencross, K. and Nield, M. Harlow: Pearson (2013) 978-1-44690-136-6.</p> <p>BTEC Level 2 Certificate in Business Enterprise Learner Handbook with ActiveBook; Donaldson, S; Parry, C; Smith, J; Bunn, C; Pearson (2017) 978-1292196930.</p> <p>Websites            The BBC 'Bitesize' website for Business and Enterprise:  <a href="http://www.bbc.co.uk/education/subjects/zpsvr82">www.bbc.co.uk/education/subjects/zpsvr82</a></p> <p>The Federation of Small Businesses  <a href="http://www.fsb.org.uk">www.fsb.org.uk</a></p> <p>Website and resources for business from entrepreneur Peter Jones  <a href="http://www.peterjones.tv">www.peterjones.tv</a></p>
<p><b>Other assessment materials attached to this Assignment Brief</b></p>	<p>None</p>

## Introduction to Learner work

The learner work that follows has been assessed accurately to national standards. This is one example of **Pass** grade achievement for **Learning Aim A** on an internally assessed unit.

The learner is in **Year** two and is completing the Pearson BTEC Level 1/2 First Award in **Business** at a school alongside other qualifications.

The learner has submitted **Assignment 1, Learning Aim A** and it has been assessed as **Pass** standard.

## Commentary

The learner has submitted **Assignment 1** to cover **Learning Aim A: Know how trends and the current business environment may impact on a business.**

As suggested by the specification guidance, the learner has provided an initial outline of their business idea, along with evidence of research into the local and national environment. Achievement of the 2A.P1 criterion requires the learner to outline how the business environment can impact on a start-up business. In this case, the learner has included an outline of the likely effect of some of the relevant local and national factors on their business idea based on research into the local area. This is the minimum response expected for this criterion. To achieve the 2A.P2 criterion, the learner needs to explain how current trends will impact on a start-up business. This could be general or the focus could be on the trends that have a particular impact on the learner's own idea for a business start-up. The learner in this case has explained the impact of each of the trends listed in the specification and attempted to explain how each trend affects their start-up business. 2A.P2 can therefore be awarded.

To achieve criterion 2A.M1, the learner needs to explain how changes in the current business environment are likely to impact on a start-up business. This learner has made an attempt at this but not in sufficient detail. This work therefore helps to support the award of 2A.P2, rather than 2A.M1. A comparison of how two trends have impacted on a start-up business is required for 2A.M2. This learner has not compared the impact of two trends on their own business idea or an existing business start-up. A comparison needs to state similarities and differences, not just write more about both impacts.

**Learner work**

Part A: The business environment

# Unit 3 Enterprise in the Business World

By Justine Yang

## Grab-a-Snack

- ▶ My business is a snack/sandwich shop for people that are on the go or the just want a nice lunch
- ▶ It is aimed at people that are on the go and don't have time to prepare a healthy and nice lunch/breakfast
- ▶ I would be setting it up in my local town as it is a good place to be as everyone either works in town, goes through town or they get the bus so people will come in to get a lunch or a breakfast



## National factors that will effect me

### Political factors

- ▶ Government policies will affect my business
- ▶ Both parties claim to provide support for business
- ▶ Increasing tax or increasing minimum wage could reduce my profits
- ▶ Stability some would say is more important and we do not have that at the moment with BREXIT uncertainty
- ▶ Almost all business leaders disagree with leaving the EU
- ▶ I will not be trading overseas but I may be affected by shortages and raising prices
- ▶ Both political parties help businesses, some would argue that conservatives are more for their rich friends in big business

## Support from government

### The government help by providing advice and guidance

- ▶ Information on sources of finance and even loan guarantees
- ▶ Help with business planning and taxation
- ▶ Provide local growth hubs and a helpline for new businesses

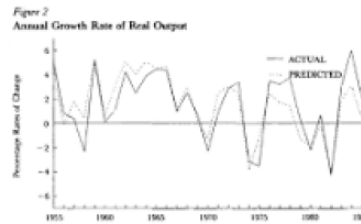
### What the local government will do for my business is:

- ▶ support my business through the planning process so that nothing goes wrong
- ▶ Provide relevant advice on funding and grants so that I am able to get the money for my business and be able to pay it back
- ▶ Relevant contacts for permissions and licenses so that nothing I am doing is wrong
- ▶ Help find premises for new and existing businesses so that it is in the best spot for me



## National factors- economic

- ▶ The economy goes through a series of fluctuations due to general booms and slumps in the economy. In a boom nearly all businesses benefit but in a slump most lose out and with my business I hope that even if the economy does go down I will still be able to grow because my snacks are not too expensive and people still need to eat.
- ▶ There isn't much that can be done about this "cycle", people lose jobs in the slump and so sales of most things drops. In the boom there are more jobs and more demand but prices can increase.



## National factors

- ▶ Inflation means that prices are rising, this infuriates consumers who blame producers for increasing prices. So businesses try to keep from raising prices. This squeezes profit margins and can cause companies to produce products of poorer quality. This could mean I will struggle against bigger competitors.
- ▶ Exchange rate will mean that increase in the value of sterling means one pound buys more dollars. The pound has fallen lately and become weaker. A fall in the value of sterling means one pound buys fewer of other currencies. This means all imports are more expensive, some of my ingredients will be imported.
- ▶ Unemployment can affect my business as the level of unemployment isn't very high in Oxfordshire so that means that not a lot of people will be looking for jobs but due to the older generation not get much work I can hire some of them and use their experience
- ▶ Cost of loans- interest rates tell you how expensive a loan is, they are higher for new businesses because of risk, although in general rates are very low at the moment.

## Local factors that will affect me

- ▶ The location of my business would affect its success, it needs to be in a good area where lots of people are passing on the way to work or school. The cost needs to be not too high as well.
- ▶ The availability of my resources could affect me because I need to use fresh products every day, I will use local sourced products so that I will be able to get them easily
- ▶ Competitors could affect me as there are other sandwich shops so I will have to compete against them but my business is different to most sandwich shops because of ordering online.
- ▶ The customers will affect my business as they are going to be talking about it, I will have a page on Facebook where the customers can go and suggest new things that they would like.

## Local factors that will affect me

- ▶ Staff will also affect me as they will need to have all been trained, all will be part-time with good customer service experience.
- ▶ I will also need to get equipment which means finding a supplier that will deliver new equipment that is good and cheap so I would have to look to find the best priced and do research on how good they are
- ▶ Supplies will affect me as I will be bringing in local supplies so that if they aren't doing good as a business I will have to find a place as I am get all my supplies from within the UK
- ▶ The environment could affect my business as if my products were to come from india then that would make it a high carbon foot print which is bad for the environment so i will be using locally sourced food as it brings dwn the carbon emissions.

## My competitors

- ▶ The competitors in my local area will be the sandwich shop that is in the same town, as well as shops that sell snacks like Boots and the Co-op. I need to know what they are doing and do something better than them
- ▶ So a way that my business will be better is that it will be online so that people can order it online and then come and collect it in the shop
- ▶ Also as my business is also a healthy snack shop that makes it a bit different to the normal sandwich shops that you can get so i will have more of a variety than my competitors

## Changes in current business environment will affect me

- ▶ Customers' needs and requirements change. They look for new, better and cheaper products so each week I will change some of the sandwiches so I have different ones to appeal to everyone
- ▶ Employees' skills need revising to take advantage of new technologies so i will need to get everyone trained on the online website we have and how it works
- ▶ New laws are passed that require changes in how businesses operate so my business will follow these rules
- ▶ Traditional sources of supplies begin to look less reliable so I will mske sure I can buy local.
- ▶ Pressure groups have started to take a greater interest in things like pollution, so I need to be careful.

## Part B

### What trends would affect my business?

#### Social trends:

Social trends are about the customers lifestyles and how they live. Population changes are a big factor in Britain at the moment, the structure of the population is changing with more old people living longer, more one parent families and single households. This can be an opportunity for a business if they see the trend and provide for the change with the products. Child obesity is a trend that is becoming a problem, this could be an opportunity for some start ups who provide health foods or exercise for children

One of the main trends to be aware of is changes in the population, I need people to buy my products, so there need to be people in the target age group, otherwise sales would suffer. The fact that we have more and more pensioners in the population is not a benefit to my business because I am selling mainly to workers on the way to work or popping out at lunch time or school children and students.

#### Ethical trends:

This could affect my business in terms of ensuring my business is behaving ethically and making sure my resources are being produced with good principles. One of the things that could affect my business is the increase in people being vegetarian and vegan, also allergies. I would also try and use renewable energy for everything.

#### Environmental trends:

This is mainly about helping the environment. Customers expect businesses to behave in a sustainable way so it is important to follow the environmental trends in order to keep a good and high reputation. I could apply this to my business by assuring I use paper bags so they could be recycled. One the one hand customers would not like to be charged for carrier bags, on the other hand the trend is to care more for the environment. The bags the food is sold in would not be plastic, everyone knows how bad plastic is for the environment this is because it doesn't decompose. Because my business doesn't really need to use solar panels, I would have to figure out a way to make sure the business isn't effecting the environment in other ways like making sure lights are low watt and energy efficient. Also carbon footprint is a concern so my local sources would reduce mine.

#### Technology trends:

One of the biggest trend is how much more people use phones and also social media like face book, snap chat, twitter ect. My customers will all be smart phone owners and will also be in a hurry so will want to order ahead and pick up their lunch. It has also become easy to use social media for marketing with lots of businesses encouraging customers to "like" them, post reviews and pictures.

#### Economic trends:

Although statistics on unemployment shows a low rate, many jobs are zero hours contracts and part time. Inflation and interest rates have been very low for a long time, they have been very high in the past but the trend is low for both. This is good for my business, inflation means increases in costs and prices and interest rates being low is

good for business borrowing and low interest on mortgage payments helps demand for products.

Economic growth measured by GDP is falling and is set to fall by 3% after BREXIT due to years of cuts in spending by the government. Poverty is growing hugely and homelessness rising, again due to austerity cuts. These trends will affect jobs and money people have to spend which is bad for business.

#### Cultural Trends:

Britain is multi-cultural from when it used to have an empire and there was always a trend of celebrating different cultures. The trend in culture relevant to my business is the taste for food from lots of different cultures. I will offer snacks that people from all cultures like. I could have a different one every week.

#### Political Trends:

In this country, the Conservative government has been in power for a long time, they were always known as being supportive of business, these days there seems to be more and more businesses going bust. Hopefully this won't be me.

Immigration is a big political issue with the trend in refusing to let migrants into the country, there are quite a few politicians fuelling racism at the moment, this may impact on my business because I am not white, hopefully it will not be noticed by customers because they will be in a hurry to get to work or school/college. I will make sure I don't do anything to attract attention.

## Learner Assessment Submission and Declaration

This sheet must be completed by the learner and provided for work submitted for assessment.

<b>Learner name:</b> Justine Yang		<b>Assessor name:</b> H Savros	
<b>Date issued:</b> October 8 <sup>th</sup>	<b>Completion date:</b> October 26 <sup>th</sup>	<b>Submitted on:</b> October 26 <sup>th</sup>	
<b>Qualification:</b> BTEC First Award			
<b>Assessment reference and title:</b> The Business Environment – Factors and Trends			

Please list the evidence submitted for each task. Indicate the page numbers where the evidence can be found or describe the nature of the evidence (e.g. video, illustration).

Task ref.	Evidence submitted	Page numbers or description
	PowerPoint and report	
Comments for note by the Assessor:		

<b>Learner declaration</b>	
I certify that the work submitted for this assignment is my own. I have clearly referenced any sources used in the work. I understand that false declaration is a form of malpractice.	
<b>Learner signature:</b> <i>J Yang</i>	<b>Date:</b> October 26 <sup>th</sup>

ASSESSMENT RECORD SHEET				
<b>Programme</b>	BTEC First Award		<b>Learner name</b>	Justine Yang
<b>Assignment title</b>	The Business Environment – Factors and Trends		<b>Assessor name</b>	H Savros
<b>Unit no. &amp; title</b>	3. Enterprise in the Business World		<b>Targeted assessment criteria</b>	2A.D1, 2A.M1, 2A.M2, 2A.P1, 2A.P2
<b>Issue date</b>	October 8 <sup>th</sup>		<b>Submission deadline</b>	October 26 <sup>th</sup>
<b>First submission / resubmission?*</b>	First Submission		<b>Date submitted</b>	October 26 <sup>th</sup>
<b>Resubmission authorisation by Lead Internal Verifier*</b>	<i>T West</i>		<b>Date</b>	November 23 <sup>rd</sup>
<b>Targeted criteria</b>	<b>Criteria achieved? (Yes / No)</b>	<b>Assessment comments</b>		
2A.D1	N	Not attempted		
2A.M1	N	Your answer lacks detail, you need to explain how changes in the current business environment are likely to impact on a start-up business		
2A.M2	N	No comparison done, you need to compare two trends and explain how they have affected a start-up business		
2A.P1	Y	Good work, you have provided a good outline of how the business environment can impact on your start-up business		
2A.P2	Y	Well done you have explained the impact of each of the required trends and how they affect your start-up business		

<b>General comments</b>			
A good start to the unit, this is your first assignment of the course and I hope you will take advantage of the opportunity to resubmit.			
<b>Assessor declaration</b>	I certify that to the best of my knowledge the evidence submitted for this assignment is the learner's own. The learner has clearly referenced any sources used in the work. I understand that false declaration is a form of malpractice.		
<b>Assessor signature</b>	<i>H Savros</i>	<b>Date</b>	November 9 <sup>th</sup>
<b>Learner comments</b>			
<b>Learner signature</b>	<i>J Yang</i>	<b>Date</b>	November 9 <sup>th</sup>