

Cambridge Young Enterprise International Examination

8908

For examination in 2008

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INTRODUCTION

The Cambridge Young Enterprise International Examination has been designed to recognise the understanding and practical skills that have been developed by learners who have participated in the Young Enterprise Company Programme.¹ It encourages the development of skills and understanding that would be of benefit in the work environment. In order to access the qualification, candidates will need to have participated in a Young Enterprise Company Programme.

This syllabus provides an outline of knowledge associated with the running of a business and how this is inter-related with the running of a Young Enterprise company. Candidates will be expected to demonstrate understanding of basic business principles and the implications of these for the running of a Young Enterprise company. The qualification provides a coherent framework for accreditation of the learning and understanding developed during participation in the Young Enterprise Company Programme.

The Cambridge Young Enterprise International Examination has been developed in partnership with Young Enterprise in the United Kingdom and provides a mechanism for recognising the achievements of those learners who have participated in the Young Enterprise Company Programme.

¹ Young Enterprise in the United Kingdom is an education charity founded in 1963 to forge links between schools and industry. Its mission is:

To inspire and equip young people
to learn and succeed
through enterprise.

AIMS

The syllabus will enable students to:

1. Develop knowledge and understanding of the requirements of a Young Enterprise Company,
2. Develop knowledge and understanding of business ideas and of how these relate to the running of a Young Enterprise company,
3. Develop an ability to apply business ideas, concepts and principles within the context of a Young Enterprise company,
4. Develop an ability to analyse business situations both in their own and in other Young Enterprise companies,
5. Develop an ability to assess business situations, evaluate possible solutions and to recommend and justify courses of actions all within the context of their Young Enterprise experience.

TARGET GROUP

This qualification is appropriate for both pre-and post-16 learners who have taken part in a Young Enterprise company.

RECOMMENDED PRIOR LEARNING

The qualification is suitable for those who have had no prior learning in this area and therefore there are no specific entry requirements. However, the qualification has been designed to recognise the understanding and skills developed by learners following Young Enterprise Company Programmes – the content and structure of the qualification therefore reflect the content and structure of the Young Enterprise Company Programme.

PROGRESSION

For those candidates who wish to develop further their knowledge and understanding of the business environment, this syllabus will provide a basis for progression to further qualifications in IGCSE/GCE Ordinary, Advanced Subsidiary and Advanced Level qualifications in subjects such as Accounting, Commerce, Commercial Studies, Economics and Business Studies.

Completion of the Cambridge Young Enterprise Company Programme will also assist candidates in the development of practical skills that would be of use to those starting their own businesses or entering into employment.

ASSESSMENT OBJECTIVES

Knowledge and Understanding	Candidates demonstrate knowledge and understanding in relation to business ideas and the requirements of Young Enterprise gained through participation in their Young Enterprise company
Application	Candidates apply business ideas and what they have learnt through participation in their Young Enterprise company to the Case Study and their own Young Enterprise company
Analysis	Candidates analyse business situations using their knowledge and experience gained from participation in their Young Enterprise company.
Evaluation	Candidates evaluate business situations and solutions using their knowledge and experience gained from participation in their Young Enterprise company.

SCHEME OF ASSESSMENT

There will be **one paper** based on an accompanying pre-released **Case Study**.

Description of Question paper

Questions involving simple calculations may be set.

1 hour 30 minutes, plus 10 minutes of reading time.

The Paper will consist of **two** sections:

Section A: Five short questions on candidates' Young Enterprise experience – total 50 marks. Candidates will be expected to refer to the Case Study and their Young Enterprise experiences where required.

Section B: Two longer generic questions each worth 25 marks – total 50 marks. Candidates must use the Case Study and their own Young Enterprise experience in answering the questions.

The features of the paper will be:

- Questions closely linked to practical experience of candidates
- All compulsory questions removing problem of choice for candidates
- All questions closely linked to the specification published within the syllabus
- Questions enabling candidates to place their Young Enterprise experience within a business framework
- Questions enabling candidates to reflect on their experience of participating in a Young Enterprise company
- Questions enabling candidates to demonstrate their understanding of what happened during participation in a Young Enterprise company

SPECIFICATION GRID

	Section A		Section B		Total	
Assessment Objectives	Marks available	Weighting %	Marks available	Weighting %	Total marks	Weighting %
Knowledge and Understanding	17 ± 2	17	8 ± 2	8	25	25
Application	13 ± 2	13	12 ± 2	12	25	25
Analysis	11 ± 2	11	14 ± 2	14	25	25
Evaluation	9 ± 2	9	16 ± 2	16	25	25
Total	50	50	50	50	100	100

SYLLABUS CONTENT

<i>Topic</i>		<i>Amplification</i>
1	BUSINESS START-UP	
1.1	Business context	<p>Forms of business organisation: sole trader, partnerships, private limited company, public limited company, co-operative, public enterprise.</p> <p>Ownership and control of business: the differences and similarities of ownership and control.</p> <p>Private and public sectors.</p> <p>Business objectives: survival, growth, profit.</p>
1.2	Structure and organisation of a Young Enterprise company	<p>Knowledge of sources of advice including Link Teacher and business advisers.</p> <p>Knowledge and understanding of why certain structures may be most efficient for the running of the business. Ability to analyse and evaluate the effectiveness of structures.</p> <p>The importance of ensuring that company roles are taken by the most appropriate people. The ways in which directors can be appointed.</p> <p>The importance of company, team and individual responsibilities.</p> <p>Reasons for communication; types of communication; potential communication problems and ways of overcoming them.</p>
1.3	Business planning in a Young Enterprise company	<p>Business meetings. Knowledge and understanding of key terms and concepts: convening meetings; elections; nominating, seconding, democratic process; casting vote; chairperson.</p> <p>Purpose and importance of business plans and mission statements, including the setting of budgets.</p> <p>The need for health and safety.</p> <p>Knowledge and understanding of environmental issues. Ability to analyse and evaluate their effects on a business.</p> <p>The importance of market forces and the way in which supply and demand can impact on the performance of a business.</p> <p>The need to consider views and requirements of stakeholders.</p>
1.4	Acting as a business consultant	<p>Ability to use business concepts, ideas and terms and to analyse and evaluate both the Case Study and own company experience, so as to offer insights and advice on the Young Enterprise experience.</p>

2	LEADERSHIP AND MANAGEMENT	
2.1	Business context	<p>Knowledge and understanding of what makes a good leader including styles of leadership: autocratic, democratic and laissez faire.</p> <p>Leaders: are innovators; advance their operations; trust employees; are creative and flexible; delegate well; set challenging goals; etc.</p> <p>Knowledge of the role of managers including: organisation of resources; motivation; setting and achieving of objectives.</p> <p>Managers: accept responsibility; control workers; are competent and specialist; set achievable goals; etc.</p>
2.2	Leadership in a Young Enterprise company	<p>This should come from the Managing Director, if the correct person has been chosen, but could be seen in any of the directors.</p> <p>Includes: sets an example for all members to follow; ability to get members to achieve their tasks; sets objectives to achieve the aims/mission statement of the company; unites the company in a common purpose; etc</p>
2.3	Management in a Young Enterprise company	<p>This should be shown by all directors and, where appropriate, by their deputies.</p> <p>Includes: fulfils all tasks assigned to their department; ensures that the members of their department are fully trained and/or aware of health and safety issues and/or are concerned with environmental issues; organises their resources including buying stock efficiently.</p>
2.4	Acting as a business consultant	Ability to use business concepts, ideas and terms and to analyse and evaluate both the Case Study and own company experience so as to offer insights and advice on the Young Enterprise experience.

3	FINANCIAL LITERACY	
3.1	Business context	<p>Knowledge and understanding of different ways in which a business can finance itself both internally and externally, including: shares; bank loans; reinvestment of profits.</p> <p>Ability to analyse and evaluate the criteria for choice.</p> <p>Processes for control and analysis: balance sheet; budgets; cash flow; profit and loss.</p> <p>Importance of credit and the need for credit control.</p>
3.2	Monitoring finances in a Young Enterprise company	<p>The role of the Finance Director and department</p> <p>Knowledge and understanding of key financial terms: bank account; dividends; overdraft; turnover/sales revenue, total revenue, gross and net profits; direct/variable costs; indirect/fixed costs/overheads; total cost, debtors and creditors.</p> <p>Ability to apply and analyse ways of presenting and monitoring financial position: cash flow; profit and loss. The importance of accurate accounts.</p> <p>The use of break-even analysis to identify minimum sales needed to begin making a profit.</p>
3.3	Payments within a Young Enterprise company	<p>Knowledge and understanding of: how and why wages might be paid; the need to issue invoices; the need to pay bills on time.</p> <p>Liquidation of the company at the end of the company 'year'. Payment of dividends, repayment of loans/overdrafts, donations to charities. Payment of taxes.</p>
3.4	Acting as a business consultant	Ability to use business concepts, ideas and terms and to analyse and evaluate both the Case Study and own company experience so as to offer insights and advice on the Young Enterprise experience.

4	OPERATIONS AND RESOURCE MANAGEMENT	
4.1	Business context	<p>Knowledge and understanding of efficiency and efficient methods of working.</p> <p>Types of production: job, batch and flow. Research and development of new products.</p> <p>The importance of quality: quality control, including methods.</p> <p>Total Quality Management as a way of eliminating waste and improving efficiency.</p> <p>Stock control including Just in Time.</p>
4.2	Operations and resource management in a Young Enterprise company	<p>The role of the Operations Director and department.</p> <p>Knowledge and understanding of differences in operations and resource management in a production and a service based company.</p> <p>Analysis and evaluation of the factors affecting choice of product/service including: costs, availability of resources; time; customer demand; members' skills – role of training; health and safety; environmental issues; etc.</p>
4.3	Monitoring production in a Young Enterprise company	<p>Importance of monitoring production both quantity and quality.</p> <p>The need and methods of quality control</p> <p>Importance of ensuring that demand and supply match each other</p>
4.4	Acting as a business consultant	<p>Ability to use business concepts, ideas and terms and to analyse and evaluate both the Case Study and own company experience so as to offer insights and advice on the Young Enterprise experience.</p>

5	MARKETING AND SALES	
5.1	Business context	<p>Marketing led versus production led business.</p> <p>The relationships and differences between marketing and sales.</p> <p>Market research: primary and secondary methods. The importance of market research to business. Market segmentation.</p> <p>Marketing mix: product; price; promotion and place/distribution. Market segmentation.</p> <p>An understanding of the differences between selling to local customers and customers from further away.</p>
5.2	Marketing in a Young Enterprise company	<p>The reasons why a company might or might not carry out market research.</p> <p>Knowledge and understanding of different promotional strategies. Analysis and evaluation of different promotional strategies available to companies.</p> <p>The role of IT in marketing.</p> <p>The relationship between marketing, operations and sales.</p>
5.3	Sales in a Young Enterprise company	<p>The role of sales forecasts and sales targets.</p> <p>Knowledge, understanding, analysis and evaluation of different selling techniques: trade fairs; stalls; direct selling; personal selling; Internet sales.</p>
5.4	Acting as a business consultant	<p>Ability to use business concepts, ideas and terms and to analyse and evaluate both the Case Study and own company experience so as to offer insights and advice on the Young Enterprise experience.</p>

6	COMPANY PERFORMANCE	
6.1	Business context	<p>The measurement of success: profits; sales; market share; growth in the value of the business/value of the shares</p> <p>Selection, recruitment, training and retention of employees.</p> <p>Good teamwork including the successful promotion of shared goals, good team spirit.</p> <p>Achievement of business and individual targets. The importance of measurement of these targets against achievement.</p>
6.2	Monitoring performance in a Young Enterprise company	<p>Knowledge of the ways in which good teamwork and team spirit can be achieved. Assessment of the success of these methods.</p> <p>Importance of regular measurement of achievements against both personal and company aims/mission statement.</p> <p>The role of good administration to ensure effective communication</p> <p>The role played by the Human Resources department.</p> <p>The monitoring of finances; operations; marketing and sales.</p>
6.3	Assessing success of a Young Enterprise company	<p>Identification and assessment of overall performance in relation to the mission statement/initial aims and objectives.</p> <p>Identification and assessment of the performance of departments/teams.</p> <p>Assessment of the impact of internal factors, i.e. within the company, on the company's profits.</p> <p>Assessment of external factors, i.e. outside the company, on the company's profits.</p>
6.4	Acting as a business consultant	<p>Ability to use business concepts, ideas and terms and to analyse and evaluate both the Case Study and own company experience, so as to offer insights and advice on the Young Enterprise experience.</p>

N.B. It is important that candidates realise that many of the factors identified in one part of the content will affect, and be relevant, to other areas.

NOTES FOR THE GUIDANCE OF TEACHERS

The above content should be seen as guidance as to the extent of the material that could be asked in the examination. It is **NOT** intended to be taught in any formal way, but is a guide as to what candidates should be aware of who are undergoing the Young Enterprise experience.

The content of the examination will be based on the **CASE STUDY**. No question will be asked unless there is a clear reference to the idea within the Case Study.

On receipt of the Case Study, centres and candidates should:

- Read the Case Study so as to discover the general context
- Identify and ensure that candidates know and understand the business concepts, ideas and terms that are referred to.
- Analyse the Case Study in terms of the six areas of the content listed below:
 - Business Start-up
 - Leadership and Management
 - Financial Literacy
 - Operations and Resource Management
 - Marketing and Sales
 - Company Performance
- Relate their experiences gained through participation in a Young Enterprise company to those of the company in the Case Study. They should both compare and contrast how their company has performed with that of the Case Study.

In the examination, candidates will be expected to:

- Show knowledge and understanding of business concepts, ideas and terms that are used in the Case Study and to apply these to the Case Study and their own Young Enterprise experience.
- Show knowledge and understanding of the Case Study and be able to analyse and evaluate the performance of the company in the Case Study.
- Use their Young Enterprise experience both directly in answering questions and in comparing their performance with that of the company in the Case Study.

RESOURCE LIST

Centres may find the following books and websites useful if they are looking for sources of information on particular business concepts, ideas and terms.

Books

TITLE	AUTHOR	PUBLISHED	PUBLISHER	ISBN NUMBER
Business Studies	Jones, R Raffo, C Hall, D	2004	Causeway Press	1902796837
An Integrated Approach to Business Studies	Jewell, B	2000	Longman	0582405424
Complete A-Z Business Studies Handbook	Lines, D et al	2003	Hodder Stoughton	0340872632
Business Case Studies	Marcouse, I Lines, D	2003	Longman	0582406374
Collins Dictionary of Business	Pass, C et al	2005	Collins	000720583X

Websites

<http://www.cie.org.uk/cambridgeyoungenterprise>

<http://www.young-enterprise.org.uk>

<http://www.bbc.co.uk/schools/gcsebitesize/business>

<http://www.bized.ac.uk>

<http://www.thetimes100.co.uk>

<http://www.tutor2u.net>