

Business Studies

Stage 6 Syllabus

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1 The Higher School Certificate Program of Study

The purpose of the Higher School Certificate program of study is to:

- provide a curriculum structure which encourages students to complete secondary education;
- foster the intellectual, social and moral development of students, in particular developing their:
 - knowledge, skills, understanding and attitudes in the fields of study they choose
 - capacity to manage their own learning
 - desire to continue learning in formal or informal settings after school
 - capacity to work together with others
 - respect for the cultural diversity of Australian society;
- provide a flexible structure within which students can prepare for:
 - further education and training
 - employment
 - full and active participation as citizens;
- provide formal assessment and certification of students' achievements;
- provide a context within which schools also have the opportunity to foster students' physical and spiritual development.

2 Rationale for Business Studies in Stage 6 Curriculum

Business activity is a feature of everyone's life. As consumers and producers, employees, employers or self-employed, savers and investors, and as importers and exporters, people throughout the world engage in a web of business activities to design, produce, market, deliver and support a range of goods and services.

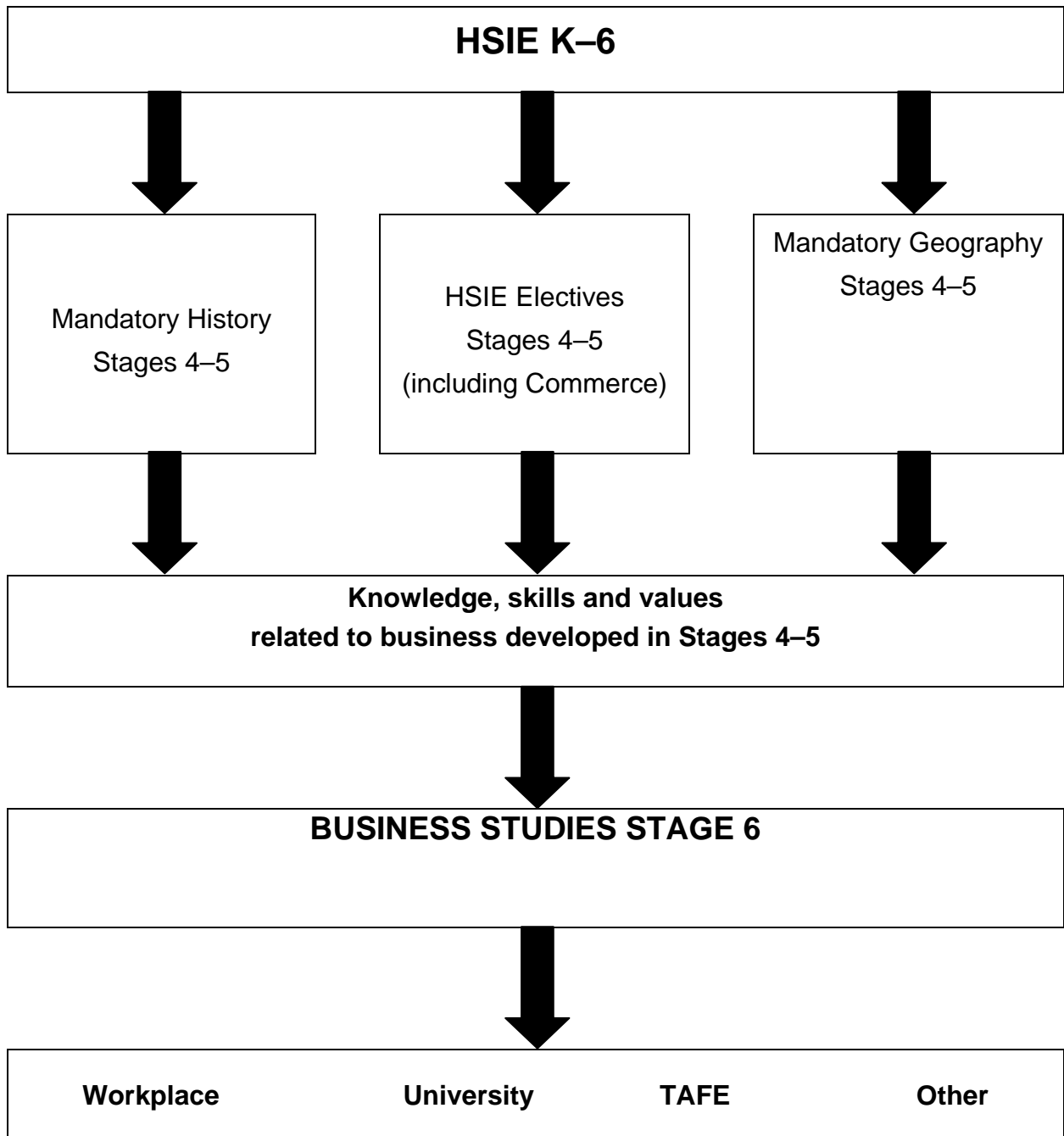
Business Studies is distinctive in that it encompasses the theoretical and practical aspects of business and management in contexts which students will encounter in life. Conceptually, it offers focus areas and perspectives ranging from the planning of a small business to the broader roles of management, finance, employment relations, marketing and the impact of the global business environment. Through the incorporation of contemporary business theories and practices the course provides rigour and depth and lays an excellent foundation for students either in further tertiary study or in future employment.

Business case studies are embedded in the course to provide a stimulating and relevant framework for students to apply theoretical concepts encountered in the business environment. Students investigate business establishment and operations and utilise a range of business information to assess and evaluate business performance. The role of incentive, personal motivation and entrepreneurship, especially in small business, is recognised as a powerful influence in business success.

Business Studies makes a significant contribution to the ability to participate effectively in the business environment. Students completing this course will develop general and specific skills including research, analysis, problem-solving, decision-making, critical thinking and communication. These skills enhance students' confidence and ability to participate effectively, not only as members of the business world, but as informed citizens dealing with issues emanating from business activity that impacts on their lives.

Business Studies fosters intellectual, social and moral development by assisting students to think critically about the role of business and business institutions and their ethical responsibilities to society. A significant feature of Business Studies is its relevance to the full range of HSC students, as it provides useful knowledge and skills for life.

3 Continuum of Learning for Business Studies Stage 6 Students



4 Aim

Business Studies at Stage 6 empowers students to become informed and responsible citizens by developing knowledge, understanding, skills and values relevant to their interactions with business and participation in a dynamic business environment.

5 Objectives

Through Business Studies, students will develop

knowledge and understanding about:

- the nature, role and structure of business
- the functions, processes and operations of business
- the nature, role, responsibilities and effectiveness of management
- the impact of internal and external factors on business

skills to:

- investigate, analyse, synthesise and evaluate business information and issues from a variety of perspectives
- communicate business information and issues using appropriate formats
- apply mathematical concepts appropriate to business situations

and **values** and **attitudes** about:

- informed and responsible participation in the business community
- ethical business behaviour
- social responsibility of business.

6 Course Structure

Preliminary Course Structure (120 indicative hours)

| Business Research Task | Topic | Indicative Hours | % of course time |
|------------------------------|------------------------------|---------------------|---------------------|
| | 1 Nature of Business | 30 | 25 |
| | 2 Key Business Functions | 36 | 30 |
| | 3 Establishing a Business | 30 | 25 |
| | 4 Developing a Business Plan | 24 | 20 |

The Preliminary course is based on a study of four compulsory topics and the completion of a Business Research Task. The Business Research Task is a project undertaken throughout the course to support course concepts.

The ordering of topics is not prescriptive and in practice may be influenced by students' needs, interests and access to case study and other resources.

HSC Course Structure (120 indicative hours)

| Topic | Indicative Hours | % of course time |
|-------------------------------------|---------------------|---------------------|
| 1 Business Management and Change | 24 | 20 |
| 2 Financial Planning and Management | 24 | 20 |
| 3 Marketing | 24 | 20 |
| 4 Employment Relations | 24 | 20 |
| 5 Global Business | 24 | 20 |

The HSC course is based on a study of five compulsory topics.

The ordering of the topics is not prescriptive and in practice may be influenced by students' needs, interests and access to case study and other resources.

7 Objectives and Outcomes

7.1 Table of Objectives and Outcomes

| Objectives | Preliminary Outcomes | HSC Outcomes |
|---|---|---|
| The student develops knowledge and understanding about: | The student: | The student: |
| 1. The nature, role and structure of business | P1.1 describes the nature of business and its role in society P1.2 analyses types of business structures | H1.1 explains the impact of the global business environment on business role and structure H1.2 critically analyses the role of business in Australia |
| 2. The functions, processes and operations of business | P2.1 assesses the role, importance and interdependence of key business functions in the operation of a business P2.2 discusses the relationship between business planning and business operations P2.3 assesses business planning processes | H2.1 describes and analyses business functions and operations and their impact on business success H2.2 evaluates processes and operations in global business |
| 3. The nature, role, responsibilities and effectiveness of management | P3.1 explains the business life cycle and analyses the challenges that each stage presents for management P3.2 explains the responsibilities of business to internal and external stakeholders | H3.1 explains management theories and strategies and their impact on business H3.2 evaluates the effectiveness of management in the organisation and operations of business and its responsiveness to change H3.3 analyses the impact of management decision-making on stakeholders |
| 4. The impact of internal and external factors on business. | P4.1 explains the interrelationship between the internal and external factors on business P4.2 describes the internal and external factors contributing to the success or failure of business | H4.1 critically analyses the social and ethical responsibilities of management H4.2 evaluates management strategies in response to internal and external factors |

| | | |
|--|---|--|
| <p>The student develops skills to:</p> <p>investigate, analyse, synthesise and evaluate business information and issues from a variety of perspectives</p> <p>communicate business information and issues using appropriate formats</p> <p>apply mathematical concepts appropriate to business situations.</p> | <p>The student:</p> <p>P5.1 selects, organises and evaluates information and sources for usefulness and reliability</p> <p>P5.2 plans and conducts an investigation into business to present the findings in an appropriate business format</p> <p>P5.3 communicates business information, ideas and issues, using relevant business terminology and concepts in appropriate forms</p> <p>P5.4 uses planning and review strategies effectively to manage complex tasks and techniques appropriately in business contexts</p> <p>P5.5 works independently and in groups to achieve appropriate goals in set timeframes</p> <p>P5.6 applies mathematical concepts appropriately in business situations.</p> | <p>The student:</p> <p>H5.1 selects, organises and evaluates information and sources for usefulness and reliability</p> <p>H5.2 plans and conducts an investigation into business to present the findings in an appropriate business format</p> <p>H5.3 communicates business information, ideas and issues, using relevant business terminology and concepts in appropriate forms</p> <p>H5.4 applies mathematical concepts appropriately in business situations.</p> |
|--|---|--|

7.2 Key Competencies

Business Studies Stage 6 provides a powerful context within which to develop general competencies considered essential for the acquisition of effective, higher order thinking skills necessary for further education, work and everyday life.

Key competencies are embedded in the Business Studies syllabus to enhance student learning. The key competencies of **collecting, analysing and organising information** and **communicating ideas and information**, reflect core processes of business research and case studies and are explicit in the objectives and outcomes of the syllabus. The principal focus of Business Studies is the development of students' ability to analyse situations, assess the key problems and propose solutions. This clearly encompasses the key competency of **solving problems**. Other key competencies are developed through the methodologies of the syllabus and through classroom pedagogy. Students work as individuals and as members of groups to conduct business investigations, and through this, the key competencies **planning and organising activities** and **working with others and in teams** are developed. When students analyse statistical evidence, investigate aspects of financial statements and calculate and interpret financial ratios they are developing the key competency **using mathematical ideas and techniques**. During investigations, students will need to use appropriate information technologies and so develop the key competency of **using technology**.

8 Content: Business Studies Preliminary Course

8.1 Preliminary topic 1: Nature of Business

25% of indicative time

The focus of this topic is to examine the role and nature of business in the economy and to identify how the environment can impact on business.

Outcomes

The student:

- P1.1 describes the nature of business and its role in society
- P1.2 analyses types of business structures
- P3.1 explains the business life cycle and analyses the challenges that each stage presents for management
- P3.2 explains the responsibilities of business to internal and external stakeholders
- P4.1 explains the interrelationship between the internal and external factors on business
- P5.3 communicates business information, ideas and issues, using relevant business terminology and concepts in appropriate forms
- P5.5 works independently and in groups to achieve appropriate goals in set timeframes.

Content

Students learn to:

use existing business case studies to investigate and communicate ideas and issues related to the nature of business. The focus of these case studies will be to:

- identify a range of internal and external stakeholders
- determine the value, and benefit, added
- identify types of business entity, including small-medium enterprises (SMEs)
- identify position in the business life cycle
- identify the main elements of the business environment of a business
- analyse the ethical and social responsibilities of specific businesses.

Students learn about:

the importance of business

- the function of business in creating value/benefits and adding value to all the business processes (value chain)
- social and economic roles – wealth creation, employment, innovation, quality of life, choice, entrepreneurship
- identification of relevant stakeholders
- business goals
- the importance of small business

coordinating the business

- controlling the value chain
- the role of management
- the interdependence of business and its environment

business life cycle

- phases of the cycle
 - establishment
 - growth
 - maturity
 - post-maturity
- challenges presented at each stage of business life cycle
- voluntary and involuntary cessation

types of business entity

- classification of business
 - legal structure
 - industry
 - size
 - public/private sector
 - international, transnational
- relationship of legal structure to particular circumstances
- factors influencing choice of legal structure
 - size, ownership, finance, privatisation

small-medium enterprises (SMEs) in Australia

- definition of SME
- the number of SMEs
- the contribution of the small business sector to the economy
- success and failure of small business
- future prospects of small business

the business environment and its impact on business

- economic and social factors
 - economic cycles
 - consumer tastes
 - cultural and productive diversity
- competitive situation
 - number of competitors
 - ease of entry
 - local and foreign competitors
 - marketing strategies
 - substitutes

- government
 - business law relating to levels of government, eg local (health, zoning), state (fair trading), federal (taxation), international (trade agreements)
 - regulatory bodies such as Environment Protection Authority, Department of Fair Trading, Australian Securities and Investment Commission, Australian Competition and Consumer Commission
- other institutional influences including: employer, trade and industry associations, trade unions, Australian Stock Exchange

ethical and social responsibilities of business

- responsibilities to shareholders, managers, employees, consumers and society
- reconciling conflicting interests of stakeholders
 - between shareholders, society and future environments
 - between shareholders and employees.

8.2 Preliminary topic 2: Key Business Functions

30% of indicative time

The focus of this topic is to analyse key functions of business, examining their interrelationship and role in the success of the business.

Outcomes

The student:

- P2.1 assesses the role, importance and interdependence of key business functions in the operation of a business
- P2.2 discusses the relationship between business planning and business operations
- P3.2 explains the responsibilities of business to internal and external stakeholders
- P4.1 explains the interrelationship between the internal and external factors on business
- P5.1 selects, organises and evaluates information and sources for usefulness and reliability
- P5.3 communicates business information, ideas and issues, using relevant business terminology and concepts in appropriate forms
- P5.5 works independently and in groups to achieve appropriate goals in set timeframes
- P5.6 applies mathematical concepts appropriately in business situations.

Content

Students learn to:

use existing business case studies to investigate and communicate ideas and issues related to key business functions. The focus of these case studies will be to:

- use an annual report of a public company to identify issues of significance relating to business functions
- prepare and present an individual or group report on the key functions of a business.

Students learn about:

interdependence of business functions

- identifying business functions — relationship to value chain
- coordinating business functions
 - planning and controlling
 - functional and market structures
 - division of labour
 - span of control
 - chain of command
- interrelationship between business functions

operations – manufacturing/services

- the role of operations
- organising operations
 - purchasing/supply chain management
 - rostering and scheduling
 - task design, plant/office layout, warehousing
 - technology, robotics, CAD/CAM (computer aided design and computer aided manufacture)
- control including inventory control and quality management
- records management

employment relations

- the role of employment relations
- the human resource cycle
 - acquisition — identifying staffing needs, recruitment, selection
 - development — training, development and maintenance of databases
 - maintenance — monetary/non monetary benefits
 - separation — voluntary/involuntary
- rights and responsibilities
 - labour contract
 - Equal Employment Opportunity (EEO)
 - Anti-Discrimination
 - Affirmative Action
 - Occupational Health and Safety (OH&S)

marketing

- the role of marketing
- identification of the target market
- overview of the marketing mix — product, price, promotion, place

accounting and finance

- the role of accounting and finance
- sources and uses of funds — debt, equity
- preparation of elementary financial statements
 - revenue statement
 - balance sheet
 - cash flow statement
- key uses of financial statements
- budgets as planning tools.

8.3 Preliminary topic 3: Establishing a Business

25% of indicative time

The focus of this topic is to examine the issues and steps involved in the establishment of a business, focusing on small business.

Outcomes

The student:

- P2.1 assesses the role, importance and interdependence of key business functions in the operation of a business
- P2.3 assesses business planning processes
- P3.1 explains the business life cycle and analyses the challenges that each stage presents for management
- P4.2 describes the internal and external factors contributing to the success or failure of business
- P5.1 selects, organises and evaluates information and sources for usefulness and reliability
- P5.3 communicates business information, ideas and issues, using relevant business terminology and concepts in appropriate forms
- P5.5 works independently and in groups to achieve appropriate goals in set timeframes.

Content

Students learn to:

use existing business case studies to investigate and communicate ideas and issues related to establishing a business. The focus of these case studies will be to:

- define the purpose and scope of an investigation about how one or more business/es was established
- develop a plan to investigate one or more businesses, in order to identify and analyse success factors in establishing a business (one business investigated should be a small business).

Students learn about:

key personal features in establishing a business

- entrepreneurship
- personal qualities — motivation, experience, expectation
- other influences — cultural background, gender

identifying business opportunities

- sources of information
- considerations such as skill requirements, finance, competition
- the business idea

identifying the target market

- potential customers and their needs
- identifying intermediate and/or final customer markets
 - mass markets, niche markets, potential markets
- determining competitive advantage — value, benefits, price

key considerations in setting up a business

- establishment options
 - new
 - existing
 - franchise
- location
 - visibility
 - cost
 - proximity to suppliers
 - customers
 - support services
- capital
 - source
 - cost
 - gearing
- legal
 - registration of business name
 - zoning
 - health regulations
 - trade practices
 - patents
- establishing supply and distribution networks
- hiring staff
- outsourcing — operations, staffing, accounting, marketing
- taxation and on-costs — federal and state taxes, superannuation, leave loading

critical issues in business success and failure

- the importance of a business plan
- identifying and sustaining competitive advantage
- avoiding over-extension of financing and other resources — SME, big business and government business
- utilising and exploiting technology
- managing cash flow.

8.4 Preliminary topic 4: Developing a Business Plan

20% of indicative time

The focus of this topic is to examine the role and processes of business planning in successful small to medium enterprises.

Outcomes

The student:

- P2.1 assesses the role, importance and interdependence of key business functions in the operation of a business
- P2.2 discusses the relationship between business planning and business operations
- P2.3 assesses business planning processes
- P4.2 describes the internal and external factors contributing to the success or failure of business
- P5.1 selects, organises and evaluates information and sources for usefulness and reliability
- P5.3 communicates business information, ideas and issues, using relevant business terminology and concepts in appropriate forms
- P5.5 works independently and in groups to achieve appropriate goals in set timeframes
- P5.6 applies mathematical concepts appropriately in business situations.

Content

Students learn to:

use existing business case studies to investigate and communicate ideas and issues related to the development of a business plan. The focus of these case studies will be to:

- analyse existing business plans from one or more businesses
- adapt business case studies and other information to a prospective business.

Students learn about:

the role of the business plan

- types and purposes

the business planning process

- sources of planning ideas from internal and external business environments
 - SWOT analysis
 - market analysis
 - target market identification
- vision, mission and goals
 - purpose of vision and mission statements
 - types of goals
 - allocation of goals to functional areas
- forecasting

- break-even analysis
- decision trees
- budgets
- monitoring and evaluations
- types of control
 - sales
 - market reports
 - budgets
- taking corrective action

elements of a Business Plan

- executive summary
 - business description and ownership
 - purpose of plan, situational analysis
 - business objectives and strategies
- operations
 - description of product/service
 - personnel requirements and skills
- marketing
 - market analysis
 - sales forecasting
 - marketing strategies
- finance
 - financial requirements, forecasts, records, controls.

8.5 Business Research Task

A requirement of the Preliminary Course in Business Studies is the completion of a Business Research Task. The outcomes being addressed in this task require that the student:

- P2.1 assesses the role, importance and interdependence of key functions in the operation of a business
- P5.1 selects, organises and evaluates information and sources for usefulness and reliability
- P5.2 plans and conducts an investigation into business to present the findings in an appropriate business format
- P5.3 communicates business information, ideas and issues, using relevant business terminology and concepts in appropriate forms
- P5.4 uses planning and review strategies effectively to manage complex tasks and techniques appropriately in business contexts
- P5.5 works independently and in groups to achieve appropriate goals in set timeframes.

The Business Research Task can be

either:

- Business Investigation — The investigation of an **existing** small business
- or**
- Small Business Plan — The development of a plan for a **hypothetical** small business.

This task is included in Internal Assessment for the Preliminary Course.

The Business Research Task should be based on individual work and be undertaken over an extended period of time. Teachers are encouraged to review the progress of the assignment as well as award marks for each stage of planning, research, analysis and reporting undertaken by students in completing this task.

Details of the requirements for both tasks appear on the following pages. While all course learning should contribute to these tasks, students should undertake most of the Research Task in their own time. Some class time, however, will need to be allocated in the planning and reporting stages.

The Business Research Task requires students to undertake the following:

- identify their research focus
- devise a plan of approach
- gather and process relevant data
- critically review the plan and the process
- clearly communicate the results.

a) The Business Investigation

The Business Investigation provides students with an opportunity to translate the course content into a practical assignment involving the study of a particular business.

In addition to other outcomes achieved in the Business Research Task, the Business Investigation requires that a student:

- P3.2 explains the responsibilities of business to internal and external stakeholders
- P4.2 describes the internal and external factors contributing to the success or failure of a business.

The selected small business may be:

- a small business such as a local shop, a farm, a surgery
- a service organisation such as a chamber of commerce, a local club
- a franchise.

The integrative nature of the Business Investigation enables students to develop further their understanding of aspects of business outlined in the Preliminary course. This investigation should be based on primary sources (such as business visits, company reports) and may refer to secondary sources.

Student research findings should be presented in a report format.

Students may not be able to obtain financial data from small businesses and may undertake the investigation concentrating on other aspects of the course such as the marketing, administration, human resource management.

b) The Small Business Plan

The Small Business Plan provides a culmination to the Preliminary course. It draws together aspects of the business and the planning process studied throughout the course. The nature of the task provides students with a practical opportunity to combine their knowledge with the skills developed throughout the course.

In addition to other outcomes achieved in the Business Research Task, the Small Business Plan requires that a student:

- P2.3 assesses business planning processes
- P3.1 explains the business life cycle and analyses the challenges that each stage presents for management.

- The proposed business should be within the general parameters of small business.
- The business should be hypothetical; planned by the student or students.

The Small Business Plan should be presented in a report format. While there is a wide range of business plan formats, students should use at least some of the following elements:

- business description and ownership
- purpose of plan and situation analysis

- objectives and strategies
- description of the product/service
- staffing requirements
- market analysis and strategies
- financial forecasts.

9 Content: Business Studies HSC Course

9.1 HSC topic 1: Business Management and Change

20% of indicative time

The focus of this topic is to examine the nature and responsibilities of management within a changing business environment from a theoretical and practical perspective.

Outcomes

The student:

- H2.1 describes and analyses business functions and operations and their impact on business success
- H3.1 explains management theories and strategies and their impact on business
- H3.2 evaluates the effectiveness of management in the organisation and operations of business and its responsiveness to change
- H3.3 analyses the impact of management decision-making on stakeholders
- H4.1 critically analyses the social and ethical responsibilities of management
- H4.2 evaluates management strategies in response to internal and external factors
- H5.1 selects, organises and evaluates information and sources for usefulness and reliability
- H5.3 communicates business information, ideas and issues, using relevant business terminology and concepts in appropriate forms.

Content

Students learn to:

use existing business case studies to investigate and communicate ideas and issues related to business management and change. The focus of these case studies will be to:

- analyse how management theories apply to various business situations
- explain and evaluate how change is managed in one or more businesses.

Students learn about:

the nature of management

- the importance of effective management
- management roles
 - interpersonal, informational, decisional
- skills of management
 - people skills, strategic thinking, vision, flexibility and adaptability to change, self-managing, teamwork, complex problem-solving and decision-making, ethical and high personal standards
- responsibility to stakeholders; reconciling conflicts of interest

understanding business organisations with reference to management theories

- classical-scientific
 - management as planning, organising and controlling
 - hierarchical organisational structure based on division of labour
 - autocratic leadership style
- behavioural
 - management as leading, motivating, communicating
 - flat organisational structure, teams
 - participative/democratic leadership style
- political
 - uses of power and influence, management as negotiating and bargaining
 - structure as coalitions
 - stakeholder view
- strengths and weaknesses of the classical, behavioural and political approaches
- systems/contingency
 - adapting management and organisational approaches to circumstances

managing change

- nature and sources of change in business
 - external influences — the changing nature of markets; economic, financial, geographic, social, legal, political and technological developments
 - internal influences — effects of accelerating technology including e-commerce, new systems and procedures, new business cultures
 - structural responses to change — outsourcing, flat structures, strategic alliances and networks
- reasons for resistance to change
 - financial costs — purchasing new equipment, redundancy payouts, retraining, reorganising plant layout
 - inertia of managers, owners
 - cultural incompatibility in mergers/takeovers
 - staffing — de-skilling, acquiring new skills, loss of career prospects/promotional opportunities
- managing change effectively
 - identifying the need for change
 - setting achievable goals
 - creating culture of change (encouraging teamwork approach using change agents)
 - change models — force-field analysis, Lewin's unfreeze/change/refreeze model

change and social responsibility

- ecological sustainability, quality of working life, technology, globalisation/ managing cultural diversity, e-commerce.

9.2 HSC topic 2: Financial Planning and Management

20% of indicative time

The focus of this topic is to develop an understanding of the role of financial planning within business operation and management and the interpretation of financial information.

Outcomes

The student:

- H2.1 describes and analyses business functions and operations and their impact on business success
- H3.2 evaluates the effectiveness of management in the organisation and operations of business and its responsiveness to change
- H3.3 analyses the impact of management decision-making on stakeholders
- H4.1 critically analyses the social and ethical responsibilities of management
- H4.2 evaluates management strategies in response to internal and external factors
- H5.1 selects, organises and evaluates information and sources for usefulness and reliability
- H5.2 plans and conducts an investigation into business to present the findings in an appropriate business format
- H5.3 communicates business information, ideas and issues, using relevant business terminology and concepts in appropriate forms
- H5.4 applies mathematical concepts appropriately in business situations.

Content

Students learn to:

use existing business case studies to investigate and communicate ideas and issues related to financial planning and management. The focus of these case studies will be to:

- interpret the published annual reports of one or more businesses
- analyse the financial statements of one or more businesses (real or imaginary)
- undertake comparative ratio analysis — over a period of time, with similar businesses, against common standards.

Students learn about:

the role of financial planning

- strategic role of financial management
- objectives of financial management — liquidity, profitability, efficiency, growth, return on capital
- the planning cycle — addressing present financial position, determining financial elements of the business plan, developing budgets, cash flows, financial reports, interpretation, maintaining record systems, planning financial controls, minimising financial risks and losses

financial markets relevant to business financial needs

- major participants in financial markets including banks, financial and insurance companies, merchant banks, superannuation/mutual funds, companies, government (Reserve Bank of Australia)
- role of the Australian Securities Exchange as a primary market
- overseas and domestic market influences and trends in financial markets and their implications for business financial needs

management of funds

- sources of funds
 - internal — owners' equity, retained profits
 - external — short-term borrowing, (overdraft, bank bills), long-term borrowing (mortgage, debentures) leasing, factoring, venture capital, grants
- financial considerations — matching the terms and source of finance to business purpose and structure
- comparison of debt and equity financing, including costs and benefits, risks, gearing/leverage

using financial information

- the accounting framework
 - financial statements — revenue statement, balance sheet
 - the accounting equation and relationships
- types of financial ratios
 - liquidity — current ratio
 - solvency — gearing debt to equity
 - profitability — gross profit ratio, net profit ratio, return on owners' equity
 - efficiency — expense ratio, accounts receivable turnover ratio
- comparative ratio analysis
 - over time, with similar businesses, against common standards
- limitations of financial reports
 - historical costs, value of intangibles

effective working capital (liquidity) management

- the working capital ratio
- control of current assets — cash, receivables, inventories
- control of current liabilities — payables, loans, overdrafts
- strategies for managing working capital — leasing, factoring, sale and lease back

effective financial planning

- effective cash flow management
 - cash flow statements
 - management strategies — distribution of payments, discounts for early payments
- effective profitability management
 - cost control — fixed and variable, cost centres, expense minimisation
 - revenue controls — sales objectives, sales mix, pricing policy

ethical and legal aspects

- audited accounts, inappropriate cut off periods, misuse of funds
- Australian Securities and Investments Commission
- corporate raiders and asset stripping.

9.3 HSC topic 3: Marketing

20% of indicative time

The focus of this topic is to develop an understanding of the nature and role of marketing in a business and the main elements involved in the development and implementation of successful marketing strategies.

Outcomes

The student:

- H1.2 critically analyses the role of business in Australia
- H2.1 describes and analyses business functions and operations and their impact on business success
- H3.2 evaluates the effectiveness of management in the organisation and operations of business and its responsiveness to change
- H4.1 critically analyses the social and ethical responsibilities of management
- H5.1 selects, organises and evaluates information and sources for usefulness and reliability
- H5.2 plans and conducts an investigation into business to present the findings in an appropriate business format
- H5.3 communicates business information, ideas and issues, using relevant business terminology and concepts in appropriate forms.

Content

Students learn to:

use existing business case studies to investigate and communicate ideas and issues related to marketing. The focus of these case studies will be to:

- analyse and evaluate marketing strategies for a product or service
- analyse the marketing plan of a business
- construct a marketing plan for a single product/service (real or imaginary).

Students learn about:

nature and role of markets and marketing

- the role of marketing in the firm and in society
- types of markets — resource, industrial, intermediate, consumer, mass, niche
- production–selling–marketing orientation
- the marketing concept — customer orientation, relationship marketing
- marketing planning process

elements of a marketing plan

- situational analysis including SWOT and product life cycle
- establishing market objectives
- identifying target market
- developing marketing strategies
- implementation, monitoring and controlling — developing a financial forecast, comparing actual and planned results, and revising the marketing strategy

market research process

- determining information needs, data collection (primary and secondary), data analysis and interpretation

customer and buyer behaviour

- types of customers — people, households, firms, educational institutions, government, clubs and societies, religious organisations
- the buying process — buyers and users
- factors influencing customer choice — psychological, sociocultural, economic, government

developing marketing strategies

- market segmentation and product/service differentiation
- product and service
 - positioning
 - branding
 - packaging
- price including pricing methods — cost, market and competition-based
 - pricing strategies/tactics — skimming, penetration, loss leaders, price points
 - price and quality interaction
- promotion
 - elements of the promotion mix — personal selling, advertising, below-the-line promotions, public relations
 - the communication process including opinion leaders and word of mouth
- place/distribution
 - distribution channels and reasons for intermediaries
 - channel choice including intensive, selective, exclusive
 - physical distribution issues including transport, warehousing, inventory
- environmental effects on distribution — technology, local government

ethical and legal aspects

- environmentally responsible products
- other issues including creation of needs, impacts of retail developments, sugging (selling under the guise of research)
- role of consumer laws in dealing with
 - deceptive and misleading advertising
 - price discrimination
 - implied conditions
 - warranties
 - resale price maintenance.

9.4 HSC topic 4: Employment Relations

20% of indicative time

The focus of this topic is to understand the nature of effective employment relations and their importance to business operation and society.

Outcomes

The student:

- H2.1 describes and analyses business functions and operations and their impact on business success
- H2.2 evaluates processes and operations in global business
- H3.2 evaluates the effectiveness of management in the organisation and operations of business and its responsiveness to change
- H3.3 analyses the impact of management decision-making on stakeholders
- H4.1 critically analyses the social and ethical responsibilities of management
- H4.2 evaluates management strategies in response to internal and external factors
- H5.1 selects, organises and evaluates information and sources for usefulness and reliability
- H5.2 plans and conducts an investigation into business to present the findings in an appropriate business format
- H5.3 communicates business information, ideas and issues, using relevant business terminology and concepts in appropriate forms
- H5.4 applies mathematical concepts appropriately in business situations

Content

Students learn to:

use existing business case studies to investigate and communicate ideas and issues related to employment relations. The focus of these case studies will be to:

- analyse how conflict and change are managed in a business
- prepare and justify possible ways of resolving conflicts in the selected business organisations.

Students learn about:

the nature of employment relations

- stakeholders in the employment relations process — employers, employees, employer associations, unions, government organisations
- managing the employment relations function
 - line management and specialist

key influences on employment relations

- social influences — changing work patterns, population shifts
- legal influences — overview of major employment legislation
- new organisational behavioural influences — flat management and team structures
- economic influences — economic cycle, globalisation

effective employment relations

- role of employment relations
- communications systems — grievance procedures, worker participation, team briefings
- rewards — financial, non-financial
- training and development — induction
- flexible working conditions — family-friendly programs
- measures of effectiveness — levels of staff turnover, absenteeism, disputation, quality, benchmarking

legal framework of employment

- the employment contract — common law (rights and obligations of employers and employees), statutes, awards, agreements
- types of employment contract — casual/part-time/flexible, permanent, casual

industrial conflict

- definition and causes — wage demands, working conditions, management policy, political goals and social issues
- perspectives on conflict — unitary, pluralist, radical
- types of industrial action
 - overt — lockouts, pickets, strikes, bans, work-to-rule
 - covert — absenteeism, sabotage, turnover, exclusion from decision-making in business
- roles of stakeholders in resolving disputes
- dispute resolution processes — conciliation, arbitration, grievance procedures, negotiation, mediation, common law action, business/division closure
- costs and benefits of industrial conflict
 - financial, personal, social, political, international

ethical and legal aspects

- issues in the workplace
 - working conditions
 - Occupational Health and Safety (OH&S)
 - workers' compensation — state and/or federal agencies and common law redress
 - anti-discrimination
 - Equal Employment Opportunities (EEO)
 - unfair dismissal.

9.5 HSC topic 5: Global Business

20% of indicative time

The focus of this topic is to examine the implications of globalisation on business structure, functions and management.

Outcomes

The student:

- H1.1 explains the impact of the global business environment on business role and structure
- H1.2 critically analyses the role of business in Australia
- H2.1 describes and analyses business functions and operations and their impact on business success
- H2.2 evaluates processes and operations in global business
- H3.2 evaluates the effectiveness of management in the organisation and operations of business and its responsiveness to change
- H3.3 analyses the impact of management decision-making on stakeholders
- H4.1 critically analyses the social and ethical responsibilities of management
- H4.2 evaluates management strategies in response to internal and external factors
- H5.1 selects, organises and evaluates information and sources for usefulness and reliability
- H5.2 plans and conducts an investigation into business to present the findings in an appropriate business format
- H5.3 communicates business information, ideas and issues, using relevant business terminology and concepts in appropriate forms

Content

Students learn to:

use existing business case studies to investigate and communicate ideas and issues related to global business. The focus of these case studies will be to:

- select a global business and identify its international targets
- describe and analyse the reasons for its international expansion
- explain the influences on this business in the global market
- explain the strategies used by the business to achieve its targets.

Students learn about:

globalisation

- nature and trends — growth of the global economy and changes in markets (financial/capital, labour, consumer)
- trends in global trade since World War II
- drivers of globalisation
 - role of transnational corporations
 - global consumers
 - impact of technology

- role of government
- deregulation of financial markets
- interaction between global business and Australian domestic business

global business strategy

- methods of international expansion
 - export
 - foreign direct investment
 - relocation of production
 - management contract
 - licensing/franchises
- reasons for expansion
 - increase sales/find new markets
 - acquire resources and have access to technology
 - diversification
 - minimise competitive risk
 - economies of scale
 - cushioning economic cycle
 - regulatory differences
 - tax minimisation

specific influences on global business

- financial
 - currency fluctuations
 - interest rates
 - overseas borrowing
- political
 - tensions between protectionism and free trade
 - international organisations and treaties (World Trade Organisation)
 - trade agreements
 - regionalism
 - war and civil unrest
- legal
 - contracts
 - dispute resolution
 - intellectual property
- social/cultural
 - languages
 - tastes
 - religion
 - varying business practices and ethics

managing global business

- financial
 - methods of payment
 - credit risks
 - hedging
 - derivatives
 - insurance
 - obtaining finance
- marketing
 - research of market
 - global branding
 - standardisation and differentiation
- operations
 - sourcing (vertical integration, make or buy)
 - global web (components produced in different countries)
- employment relations
 - organisational structure
 - staffing
 - shortage of skilled labour
 - labour law variations
 - minimum standards of labour
 - ethnocentric/polycentric/geocentric staffing system
- evaluation — strategies with reference to a particular global market
- modifications of strategies according to changes in global market

management responsibility in a global environment

- ethical practice — tax havens and transfer pricing
 - minimum standards of labour
 - dumping illegal products
 - ecological sustainability.

10 Course Requirements

For the Preliminary course:

- 120 indicative hours are required to complete the course
- the Business Research Task.

For the HSC course:

- the Preliminary course is a prerequisite
- 120 indicative hours are required to complete the course.

11 Post-school Opportunities

The study of Business Studies Stage 6 provides students with knowledge, understanding and skills that form a valuable foundation for a range of courses at university and other tertiary institutions.

In addition, the study of Business Studies Stage 6 assists students to prepare for employment and full and active participation as citizens. In particular, there are opportunities for students to gain recognition in vocational education and training. Teachers and students should be aware of these opportunities.

Recognition of Student Achievement in Vocational Education and Training (VET)

Wherever appropriate, the skills and knowledge acquired by students in their study of HSC courses should be recognised by industry and training organisations. Recognition of student achievement means that students who have satisfactorily completed HSC courses will not be required to repeat their learning in courses in TAFE NSW or other Registered Training Organisations (RTOs).

Registered Training Organisations, such as TAFE NSW, provide industry training and issue qualifications within the Australian Qualifications Framework (AQF).

The degree of recognition available to students in each subject is based on the similarity of outcomes between HSC courses and industry training packages endorsed within the AQF. Training packages are documents that link an industry's competency standards to AQF qualifications. More information about industry training packages can be found on the National Training Information Service (NTIS) website (www.ntis.gov.au).

Recognition by TAFE NSW

TAFE NSW conducts courses in a wide range of industry areas, as outlined each year in the *TAFE NSW Handbook*. Under current arrangements, the recognition available to students of Business Studies in relevant courses conducted by TAFE is described in the *HSC/TAFE Credit Transfer Guide*. This guide is produced by the Board of Studies and TAFE NSW and is distributed annually to all schools and colleges. Teachers should refer to this guide and be aware of the recognition available to their students through the study of Business Studies Stage 6. This information can be found on the TAFE NSW website (www.tafensw.edu.au/mchoice).

Recognition by other Registered Training Organisations

Students may also negotiate recognition into a training package qualification with another Registered Training Organisation. Each student will need to provide the RTO with evidence of satisfactory achievement in Business Studies Stage 6 so that the degree of recognition available can be determined.

12 Assessment and Reporting

Advice on appropriate assessment practice in relation to the Business Studies syllabus is contained in *Assessment and Reporting in Business Studies Stage 6*. That document provides general advice on assessment in Stage 6 as well as the specific requirements for the Preliminary and HSC courses. The document contains:

- suggested components and weightings for the internal assessment of the Preliminary course
- mandatory components and weightings for the internal assessment of the HSC course
- the HSC examination specifications, which describe the format of the external HSC examination.

The document and other resources and advice related to assessment in Stage 6 Business Studies are available on the Board's website at www.boardofstudies.nsw.edu.au/syllabus_hsc