

Diploma Programme Year Plan

Name of the DP subject	BUSINESS MANAGEMENT	
Level	Higher <input type="checkbox"/> Standard <input type="checkbox"/>	
YEAR 1		
UNIT	TOPIC/CONCEPT	ASSESSMENT COMPONENTS
Unit 1/ Topic 1: Introduction to Business management	<p>Chapter 1 - Unit 1.1 What is a business? The nature of business Primary, secondary, tertiary and quaternary sectors Entrepreneurship Challenges and opportunities for starting a business</p> <p>Chapter 2 - Unit 1.2 Types of business entities.</p> <p>Distinction between the private and the public sectors The main features of the following types of organizations:</p> <p>Sole traders Partnerships Privately held companies Publicly held companies</p> <p>The main features of the following types of for-profit social enterprises:</p> <ul style="list-style-type: none"> • Private sector companies • Public sector companies 	<p>Formative assessment:</p> <p>True or false quiz Revision flash cards Short data responses Fill in the gaps Crossword puzzle Peer-to-peer teaching(bonus points) Presentations</p> <p>Summative assessment:</p> <p>Data response Case-study</p>

- Cooperatives

The main features of the following types of non-profit social enterprises

- Non-governmental organizations (NGOs)

Chapter 3 - Unit 1.3 Business objectives

Vision statement and mission statement

Common business objectives including: (i) growth, (ii) profit, (iii)

protecting shareholder value and (iv) ethical objectives

Strategic and tactical objectives

Corporate social responsibility

Chapter 4 - Unit 1.4 Stakeholders

Internal and external stakeholders

Conflict between stakeholders

Chapter 5 - Unit 1.5 Growth and evolution

Internal and external economies and diseconomies of scale

The difference between internal and external growth

Reasons for businesses to grow

Reasons for businesses to stay small

External growth methods:

Mergers and acquisitions (M&As)

Takeovers

Joint ventures

Strategic alliances

Franchising

Chapter 6 - Unit 1.6 Multinational companies (MNCs)

The impact of MNCs on the host countries

<p>Unit 3/ Topic 3: Finance and accounts</p>	<p>Chapter 14 - Unit 3.1 Introduction to finance Role of finance for businesses:</p> <p>capital expenditure revenue expenditure</p> <p>Chapter 15 - Unit 3.2 Sources of finance The following internal sources of finance: Personal funds (for sole traders) Retained profit Sale of assets The following external sources of finance:</p> <p>Share capital Loan capital Overdrafts Leasing Trade credit Crowdfunding Microfinance providers</p> <p>Business angels Appropriateness of short- or long-term sources of finance for a given Situation</p> <p>Chapter 16 - Unit 3.3 Costs and revenues The following types of cost, using examples: Fixed Variable Direct Indirect/overhead Total revenue and revenue streams, using examples</p> <p>Chapter 17 - Unit 3.4 Final accounts</p>	
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The purpose of accounts to different stakeholders

Final accounts:

Profit and loss account

Balance sheet

Different types of intangible assets

HL content

Depreciation using the following methods (HL only):

Straight line method

Units of production method

Appropriateness of each depreciation method (HL only)

Chapter 18 - Unit 3.5 Profitability and liquidity ratio analysis

The following profitability ratios:

Gross profit margin

Profit margin

Return on capital employed (ROCE)

Possible strategies to improve these ratios

The following liquidity ratios:

- Current ratio
- Acid-test (quick) ratio

Possible strategies to improve these ratios

Chapter 19 - Unit 3.6 Efficiency ratio analysis (HL only)

stock turnover

debtor days

creditor days

gearing ratio

Possible strategies to improve these ratios

Insolvency versus bankruptcy

Chapter 20 - Unit 3.7 Cash flow

	<p>The difference between profit and cash flow Working capital Liquidity position Cash flow forecasts The relationship between investment, profit and cash flow Strategies for dealing with cash flow problems</p> <p>Chapter 21 - Unit 3.8 Investment appraisal Investment opportunities using payback period and average rate of return (ARR) Investment opportunities using NPV</p> <p>Chapter 22 - Unit 3.9 Budgets (HL only) The difference between cost and profit centre The roles of cost and profit centres Constructing a budget Variances The importance of budgets and variances in decision-making</p>	
UNIT	TOPIC/CONCEPT	ASSESSMENT COMPONENTS
Unit 4/ Unit 4.1 The Role of Marketing	<p>Chapter 23 - Unit 4.1 The Role of Marketing Market orientation versus product orientation Market share Market growth The importance of market share and market leadership (HL only)</p> <p>Chapter 24 - Unit 4.2 Marketing planning The role of marketing planning</p>	<p>Formative assessment: True or false quiz Revision flash cards Short data responses Fill in the gaps Crossword puzzle Peer-to-peer teaching(bonus points) Presentations</p>

	<p>Segmentation, targeting (target market) and positioning (position maps)</p> <p>The difference between niche market and mass market</p> <p>The importance of having a unique selling point/proposition (USP)</p> <p>How organizations can differentiate themselves and their products from Competitors</p> <p>Chapter 25 - Unit 4.3 Sales forecasting (HL only) The benefits and limitations of sales forecasting</p> <p>Chapter 26 - Unit 4.4 Market research</p> <p>Why and how organizations carry out market research</p> <p>The following methods/techniques of primary market research:</p> <ul style="list-style-type: none"> surveys interviews focus groups observations <p>The following methods/techniques of secondary market research:</p> <ul style="list-style-type: none"> market analyses academic journals government publications media articles online <p>The difference between qualitative and quantitative research</p> <p>The following methods of sampling:</p> <ul style="list-style-type: none"> quota random convenience 	<p>Summative assessment:</p> <p>Data response</p> <p>Case-study</p>
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Chapter 27 - Unit 4.5a The 7 Ps of the marketing mix - Product

The relationship between the product life cycle, product portfolio and the marketing mix

Extension strategies

The relationship between the product life cycle, investment, profit and cash flow

The following aspects of branding: (i) awareness, (ii) development, (iii)

loyalty and (iv) value

The importance of branding

Chapter 28 - Unit 4.5b The 7 Ps of the marketing mix - Price

Price

The appropriateness of the following pricing methods:

cost-plus (mark-up) pricing

penetration pricing

loss leader pricing

predatory pricing

premium pricing

• dynamic pricing (HL only)

competitive pricing (HL only)

contribution pricing (HL only)

price elasticity of demand (HL only)

Chapter 29 - Unit 4.5c The 7 Ps of the marketing mix - Promotion

The following aspects of promotion:

• Above the line promotion

• Below the line promotion, and

Through the line promotion

Social media marketing as a promotional strategy

	<p>Chapter 30 - Unit 4.5d The 7 Ps of the marketing mix - Place The importance of different types of distribution channels</p> <p>Chapter 31 - Unit 4.5e The 7 Ps of the marketing mix - People The importance of employee-customer relationships in marketing a service and cultural variation in these relationships</p> <p>Chapter 32 - Unit 4.5f The 7 Ps of the marketing mix - Processes The importance of delivery processes in marketing a service and changes in these processes</p> <p>Chapter 33 - Unit 4.5g The 7 Ps of the marketing mix - Physical evidence The importance of tangible physical evidence in marketing a service Appropriate marketing mixes for particular products.</p> <p>Chapter 34 - Unit 4.6 International marketing (HL only) The opportunities and threats posed by entering and operating internationally</p>	
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Information in green indicates the main topic/lesson/chapter

Information in red indicates HL content only