

GCSE (9-1)

Specification

# BUSINESS

**J204**

For first assessment in 2019



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# 1 Why choose an OCR GCSE (9–1) in Business?

## 1a. Why choose an OCR qualification?

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Choose OCR and you've got the reassurance that you're working with one of the UK's leading examination boards. Our new OCR GCSE (9–1) in Business qualification has been developed in consultation with teachers, employers and Higher Education institutions to provide learners with a qualification that's relevant to them and meets their needs.

We're part of the Cambridge Assessment Group, Europe's largest assessment agency and a department of the University of Cambridge. Cambridge Assessment plays a leading role in developing and delivering assessments throughout the world, operating in over 150 countries.

We work with a range of education providers, including schools, colleges, workplaces and other institutions in both the public and private sectors. Over 13,000 centres choose our A Levels, GCSEs and vocational qualifications including Cambridge Nationals and Cambridge Technicals.

### Our Specifications

We believe in developing specifications that help you bring the subject to life and inspire your learners to achieve more.

We've created teacher-friendly specifications based on extensive research and engagement with the teaching community. They're designed to be straightforward and accessible so that you can tailor the delivery of the course to suit your needs. We aim to encourage students to become responsible for their own learning, confident in discussing ideas, innovative and engaged.

We provide a range of support services designed to help you at every stage, from preparation through to the delivery of our specifications. This includes:

- A wide range of high-quality creative resources, including:
  - Delivery Guides
  - Transition Guides
  - Topic Exploration Packs
  - Lesson Elements
  - ...and much more.
- Access to Subject Advisors to support you through the transition and throughout the lifetime of the specification.
- CPD/Training for teachers to introduce the qualifications and prepare you for first teaching.
- Active Results – our free results analysis service to help you review the performance of individual learners or whole schools.

Our Resource Partner textbook will develop knowledge and skills with its comprehensive coverage of the assessment structure and all the business topics your students need to know.

All GCSE (9–1) qualifications offered by OCR are accredited by Ofqual, the Regulator for qualifications offered in England. The accreditation number for OCR's GCSE (9–1) in Business is QN603/0295/1.

## 1b. Why choose an OCR GCSE (9–1) in Business?

OCR's GCSE (9–1) in Business is an up-to-date and engaging qualification that is relevant to the world of business today.

This qualification equips learners with the skills and confidence to explore how different business situations affect business decisions. It is a well-rounded introduction to the subject. The qualification will encourage learners to make informed choices about a wide range of further learning opportunities and career pathways as well as develop life skills that enable them to become financially and commercially aware.

The specification is divided into topics, each covering key concepts of business. The content is clear and logically laid out for both existing centres and those new to OCR, with a straightforward assessment model and marking criteria.

Our specification has been developed with subject and teaching experts. We have worked in close consultation with teachers and other stakeholders with the aim of including up-to-date, relevant content in a framework that is interesting to teach and easy to administer in centres.

### Aims and learning outcomes

OCR's GCSE (9–1) in Business should enable learners to:

- know and understand business concepts, business terminology, business objectives, the integrated nature of business activity and the impact of business on individuals and wider society
- apply knowledge and understanding to contemporary business issues and to different types and sizes of businesses in local, national and global contexts
- develop as enterprising individuals with the ability to think commercially and creatively to demonstrate business acumen, and draw on evidence to make informed business decisions and solve business problems
- develop as effective and independent students, and as critical and reflective thinkers with enquiring minds
- use an enquiring, critical approach to make informed judgements
- investigate and analyse real business opportunities and issues to construct well-argued, well-evidenced, balanced and structured arguments, demonstrating their depth and breadth of understanding of business
- develop and apply quantitative skills relevant to business, including using and interpreting data.

## 1c. What are the key features of this specification?

The key features of OCR's GCSE (9–1) in Business will enable learners to develop:

- an interest in business and entrepreneurial skills
- connections between theory and practice so that learners are able to apply their understanding of business to real organisations
- an informed approach that will help learners to evaluate choices and decisions about their own future working lives
- confidence in using both qualitative and quantitative data to make business decisions.

## 1d. What is new in OCR GCSE (9–1) in Business?

This section is intended for teachers using OCR GCSE (9–1) in Business. It highlights the differences between the GCSE in Business Studies (J253) and the GCSE (9–1) in Business (J204) for first teaching from September 2017:

| What stays the same?   | What's changing?   |
|--|--|
| <ul style="list-style-type: none"> <li>• Assessment is at the end of the course</li> <li>• The three Assessment Objectives remain similar with 35%, 35%, 30% allocations</li> <li>• Content and structure are familiar although updated and streamlined</li> <li>• Key topic areas have stayed the same</li> <li>• Engaging introduction to Business.</li> </ul> | <ul style="list-style-type: none"> <li>• The assessment consists of two exams, 90 minutes each</li> <li>• There is no longer any controlled assessment or pre-release stimulus material</li> <li>• Explicit application and assessment of quantitative skills (minimum of 10% of overall marks) at the level of Key Stage 3 Maths</li> <li>• Both question papers have a section with multiple choice questions</li> <li>• Greater focus on business decision making.</li> </ul> |

## 1e. How do I find out more information?

If you are already using OCR specifications you can contact us at: [www.ocr.org.uk](http://www.ocr.org.uk)

If you are not already a registered OCR centre then you can find out more information on the benefits of becoming one at: [www.ocr.org.uk](http://www.ocr.org.uk)

If you are not yet an approved centre and would like to become one, go to: [www.ocr.org.uk](http://www.ocr.org.uk)

Want to find out more?

Ask a Subject Advisor:

Email: [Business@ocr.org.uk](mailto:Business@ocr.org.uk)

Phone: 01223 553998

Twitter: [@OCR\\_BusEcon](https://twitter.com/OCR_BusEcon)

E-bulletins: [www.ocr.org.uk/updates](http://www.ocr.org.uk/updates)

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## 2 The specification overview

### 2a. OCR's GCSE (9–1) in Business (J204)

Learners take both components, 01 and 02, to be awarded the OCR GCSE (9–1) in Business.

| Content Overview  | Assessment Overview   |  |
|---|---|--|
| <ul style="list-style-type: none"><li>• Business activity</li><li>• Marketing</li><li>• People</li></ul>  | <b>Business 1:<br/>business activity,<br/>marketing and<br/>people (01)</b><br><br>80 Marks<br>1 Hour 30 Minutes<br>paper             | <b>50%</b><br><br>of total<br><br>GCSE |
| <ul style="list-style-type: none"><li>• Operations</li><li>• Finance</li><li>• Influences on business</li><li>• The interdependent nature of business</li></ul> | <b>Business 2:<br/>operations,<br/>finance and<br/>influences on<br/>business (02)*</b><br><br>80 Marks<br>1 Hour 30 Minutes<br>paper | <b>50%</b><br><br>of total<br><br>GCSE |

\* Indicates inclusion of synoptic assessment. See section 3g.

## 2b. Content of GCSE (9–1) in Business (J204)

In all of the following, learners are required to apply their knowledge and understanding to a variety of different business contexts in a dynamic and competitive environment. These include businesses ranging from small enterprises to large multinationals and businesses operating in local, national and global contexts. Learners must develop an understanding of how these contexts impact on business behaviour.

Learners should be able to make decisions based on the analysis and evaluation of information provided. Learners should be able to recognise the use and limitations of qualitative and quantitative data in business decision making.

### Knowledge and understanding

Learners are required to apply their knowledge and understanding to business decision making. This includes:

- the interdependent nature of business activity, influences on business, business operations, finance, marketing and human resources and how these interdependencies underpin business decision making
- how different business contexts affect business decisions
- the use and limitation of quantitative data in making business decisions.

### Skills

Learners are required to draw on their knowledge and understanding above to:

- use business terminology to identify and explain business activity
- apply business concepts to familiar and unfamiliar contexts
- develop problem-solving and decision making skills relevant to business
- investigate, analyse and evaluate business opportunities and issues
- make justified decisions using both qualitative and quantitative data, including its selection, interpretation, analysis and evaluation and the application of appropriate quantitative skills.

Please see Appendix 5c for details of the range and extent of quantitative skills required.



## Overview of specification content

| <b>Business 1: business activity, marketing and people (01)</b> |  |
|---|--|
| <b>1. Business activity</b>                                     | 1.1 The role of business enterprise and entrepreneurship<br>1.2 Business planning<br>1.3 Business ownership<br>1.4 Business aims and objectives<br>1.5 Stakeholders in business<br>1.6 Business growth   |
| <b>2. Marketing</b>   | 2.1 The role of marketing<br>2.2 Market research<br>2.3 Market segmentation<br>2.4 The marketing mix   |
| <b>3. People</b>  | 3.1 The role of human resources<br>3.2 Organisational structures and different ways of working<br>3.3 Communication in business<br>3.4 Recruitment and selection<br>3.5 Motivation and retention<br>3.6 Training and development<br>3.7 Employment law |

| <b>Business 2: operations, finance and influences on business (02)</b> |  |
|--|--|
| <b>4. Operations</b>   | 4.1 Production processes<br>4.2 Quality of goods and services<br>4.3 The sales process and customer service<br>4.4 Consumer law<br>4.5 Business location<br>4.6 Working with suppliers |
| <b>5. Finance</b>  | 5.1 The role of the finance function<br>5.2 Sources of finance<br>5.3 Revenue, costs, profit and loss<br>5.4 Break-even<br>5.5 Cash and cash flow                                      |
| <b>6. Influences on business</b>                                       | 6.1 Ethical and environmental considerations<br>6.2 The economic climate<br>6.3 Globalisation  |
| <b>7. The interdependent nature of business</b>                        |  |

## 2c. Content of Business 1: business activity, marketing and people (J204/01)

This component introduces learners to business concepts and issues concerning the activities of a business. It explores the purpose and role of a business from first spotting an enterprising opportunity through to the growth of an established business. It takes a closer look at the role of marketing and human resources.

There are three sections covering content – section 1: business activity, section 2: marketing and section 3: people. Content from these three sections will be

assessed in component 01. Throughout this component learners will need to consider how different contexts affect business decisions.

### 1. Business activity

In this section, learners explore how and why businesses start and grow. Knowledge and understanding of business activity must include the following:

| Topic   | Content   | Points to include   |
|---|---|---|
| <b>1.1 The role of business enterprise and entrepreneurship</b> | <ul style="list-style-type: none"> <li>The purpose of business activity and enterprise</li> <li>Characteristics of an entrepreneur</li> <li>The concept of risk and reward</li> </ul> | <ul style="list-style-type: none"> <li>✓ spotting an opportunity, developing an idea for a business, satisfying the needs of customers</li> <li>✓ creativity, risk taking, determination, confidence</li> </ul>   |
| <b>1.2 Business planning</b>                                    | <ul style="list-style-type: none"> <li>The purpose of planning business activity</li> <li>The role, importance and usefulness of a business plan</li> </ul>                           | <ul style="list-style-type: none"> <li>✓ reducing risk, helping a business to succeed</li> <li>✓ identifying markets, help with obtaining finance, identifying resources a business needs to operate, achieving business aims and objectives</li> </ul> |

| Topic                                   | Content   | Points to include   |
|---|---|---|
| <b>1.3 Business ownership</b>           | <ul style="list-style-type: none"><li>• The features of different types of business ownership</li><li>• The concept of limited liability</li><li>• The suitability of differing types of ownership in different business contexts</li></ul> | <ul style="list-style-type: none"><li>✓ sole traders, partnerships, private and public limited companies</li><li>✓ start-ups and established businesses</li></ul>   |
| <b>1.4 Business aims and objectives</b> | <ul style="list-style-type: none"><li>• The aims and objectives of business</li><li>• How and why objectives might change as businesses evolve</li><li>• Why different businesses may have different objectives</li></ul>                   | <ul style="list-style-type: none"><li>✓ profit, survival, growth, providing a service, market share</li></ul>   |
| <b>1.5 Stakeholders in business</b>     | <ul style="list-style-type: none"><li>• The roles and objectives of internal and external stakeholder groups</li><li>• The effect business activity has on stakeholders</li><li>• The effect stakeholders have on business</li></ul>        | <ul style="list-style-type: none"><li>✓ owners, employees, customers, suppliers, government, local community</li></ul>  |
| <b>1.6 Business growth</b>              | <ul style="list-style-type: none"><li>• Organic growth</li><li>• External growth</li></ul>  | <ul style="list-style-type: none"><li>✓ increasing output, gaining new customers, developing new products, increasing market share</li><li>✓ mergers, takeovers - including horizontal, vertical, diversification</li></ul> |

## 2. Marketing

In this section, learners explore the purpose and role of marketing within business and how it influences business activity and the decisions businesses

take. Knowledge and understanding of marketing must include the following:

| Topic                            | Content  | Points to include  |
|----------------------------------|--|--|
| <b>2.1 The role of marketing</b> | <ul style="list-style-type: none"> <li>The purpose of marketing within business</li> </ul>   | <ul style="list-style-type: none"> <li>✓ the importance to a business of identifying and understanding its customers, informing customers, increasing sales</li> </ul>   |
| <b>2.2 Market research</b>       | <ul style="list-style-type: none"> <li>The purpose of market research</li> <li>Primary research methods</li> <li>Secondary research sources</li> <li>How appropriate different methods and sources of market research are for different business purposes</li> <li>The use and interpretation of qualitative and quantitative data in market research</li> </ul> | <ul style="list-style-type: none"> <li>✓ identifying and understanding customer needs</li> <li>✓ questionnaires, interviews, trialling, focus groups</li> <li>✓ newspapers and magazines, census, websites, internal data</li> </ul> |
| <b>2.3 Market segmentation</b>   | <ul style="list-style-type: none"> <li>The use of segmentation to target customers</li> </ul>  | <ul style="list-style-type: none"> <li>✓ age, gender, income, location, lifestyle</li> </ul>   |

| Topic                        | Content  | Points to include   |
|------------------------------|--|---|
| <b>2.4 The marketing mix</b> | <ul style="list-style-type: none"> <li>• The ‘four Ps’ of the marketing mix and their importance                             <ul style="list-style-type: none"> <li>○ Product</li> <li>○ Product - stages of the product life cycle</li> <li>○ Pricing methods</li> <li>○ Promotion - point of sale</li> <li>○ Promotion - advertising</li> <li>○ Place - distribution of products and services</li> </ul> </li> <li>• How the four Ps of the marketing mix work together</li> <li>• The use of the marketing mix to inform and implement business decisions</li> <li>• Interpretation of market data</li> </ul> | <ul style="list-style-type: none"> <li>✓ price, product, place, promotion</li> <li>✓ design, invention, innovation</li> <li>✓ introduction, growth, maturity, decline</li> <li>✓ skimming, cost-plus, penetration, competitor, promotional</li> <li>✓ price reductions, loss leaders, competitions, free samples</li> <li>✓ social media, websites, print media, television, radio</li> <li>✓ digital and physical distribution channels</li> <br/> <li>✓ changes in demand, target market and market share, changes in product and effects of promotion</li> </ul> |



### 3. People

In this section, learners explore the purpose and role of human resources within business and how it influences business activity and the decisions

businesses take. Knowledge and understanding of people must include the following:

| Topic  | Content   | Points to include   |
|--|---|---|
| <b>3.1 The role of human resources</b>                             | <ul style="list-style-type: none"> <li>The purpose of human resources in business</li> </ul>  | <ul style="list-style-type: none"> <li>✓ identifying and meeting the human resource needs of a business</li> </ul>  |
| <b>3.2 Organisational structures and different ways of working</b> | <ul style="list-style-type: none"> <li>Different organisational structures</li> <li>The terminology of organisation charts</li> <li>Why businesses have different organisational structures</li> <li>Ways of working</li> </ul> | <ul style="list-style-type: none"> <li>✓ tall, flat</li> <li>✓ span of control, chain of command, delegation, subordinates, authority</li> <li>✓ importance of effective communication, different job roles and responsibilities, different ways of working</li> <li>✓ full-time, part-time, flexible working, temporary work, working from home, working whilst mobile, self-employed</li> </ul> |
| <b>3.3 Communication in business</b>                               | <ul style="list-style-type: none"> <li>Ways of communicating in a business context</li> <li>The importance of business communications</li> <li>The influence of digital communication on business activity</li> </ul>           | <ul style="list-style-type: none"> <li>✓ letter, email, text, phone, meeting/presentation, social media, website</li> </ul>   |

| Topic                                | Content   | Points to include   |
|--------------------------------------|---|---|
| <b>3.4 Recruitment and selection</b> | <ul style="list-style-type: none"> <li>• Why businesses recruit</li> <li>• The use of different recruitment methods to meet different business needs</li> <li>• Methods of selection</li> </ul>                                     | <ul style="list-style-type: none"> <li>✓ replace employees who leave, business growth, skill gaps</li> <li>✓ internal methods, external methods, job description and person specification</li> <li>✓ CV, application form, letter of application, interviews, tests, group activities, references</li> </ul>              |
| <b>3.5 Motivation and retention</b>  | <ul style="list-style-type: none"> <li>• Financial methods of motivation</li> <li>• Non-financial methods of motivation</li> <li>• The importance of employee motivation</li> <li>• The importance of employee retention</li> </ul> | <ul style="list-style-type: none"> <li>✓ pay, bonuses, profit sharing, fringe benefits</li> <li>✓ praise, award schemes, working environment</li> <li>✓ improved employee performance, helps employee retention</li> <li>✓ already familiar with business and customers, saves time and expense of recruitment</li> </ul> |
| <b>3.6 Training and development</b>  | <ul style="list-style-type: none"> <li>• Different training methods</li> <li>• Why businesses train their workers</li> <li>• Staff development</li> <li>• The benefits to employees and businesses of staff development</li> </ul>  | <ul style="list-style-type: none"> <li>✓ induction, on-the-job, off-the-job</li> <li>✓ development of the business, improve productivity, skill shortages, customer service, motivation and retention</li> <li>✓ vocational and academic qualifications, apprenticeships</li> </ul>                                       |
| <b>3.7 Employment law</b>            | <ul style="list-style-type: none"> <li>• The impact of current legislation on recruitment and employment</li> </ul>   | <ul style="list-style-type: none"> <li>✓ discrimination, employees' right to a contract, holidays, hours of work</li> </ul>   |

## 2c. Content of Business 2: operations, finance and influences on business (J204/02)

This component takes a closer look at the role of operations and finance and introduces learners to external influences on business. It explores the importance of these influences and how businesses change in response to them. Finally, learners will use content from both component 01 and component 02 to make connections between different elements of the subject.

There are four sections covering content – section 4: operations, section 5: finance, section 6: influences on business and section 7: the interdependent nature of

### 4. Operations

In this section, learners explore what business operations involve, their role within the production of goods and the provision of services, and how they influence

business. Content from all these sections will be assessed in component 02. Learners will also be required to draw on content from Business 1: business activity, marketing and human resources to answer synoptic questions in section B of the component 02 examination.

Throughout this component learners will need to consider how different contexts affect business decisions.

business activity. Knowledge and understanding of business operations must include the following:

| Topic                                    | Content  | Points to include  |
|--|--|--|
| <b>4.1 Production processes</b>          | <ul style="list-style-type: none"> <li>Different production processes and their impact on businesses</li> <li>The influence of technology on production and the impact on businesses</li> </ul>                | <ul style="list-style-type: none"> <li>✓ job, batch, flow</li> <li>✓ automation, computers and robotics</li> </ul>   |
| <b>4.2 Quality of goods and services</b> | <ul style="list-style-type: none"> <li>The concept of quality</li> <li>Methods of ensuring quality</li> <li>The importance of quality in both the production of goods and the provision of services</li> </ul> | <ul style="list-style-type: none"> <li>✓ quality control, quality assurance</li> <li>✓ reputation of the business, to gain and retain customers, reduce product returns and recalls</li> </ul> |

| Topic   | Content  | Points to include  |
|---|--|--|
| <b>4.3 The sales process and customer service</b> | <ul style="list-style-type: none"><li>• Methods of selling</li><li>• The influence of e-commerce on business activity</li><li>• The importance to a business of good customer service including after-sales service</li><li>• The contribution of product knowledge and customer engagement to good customer service</li></ul> | <ul style="list-style-type: none"><li>✓ e-commerce, face to face, telesales</li><li>✓ to gain and retain customers</li></ul>   |
| <b>4.4 Consumer law</b>                           | <ul style="list-style-type: none"><li>• The impact of consumer law on businesses</li></ul>   | <ul style="list-style-type: none"><li>✓ reputation of the business, safety and satisfactory quality of goods</li></ul>   |
| <b>4.5 Business location</b>                      | <ul style="list-style-type: none"><li>• Factors influencing business location</li></ul>  | <ul style="list-style-type: none"><li>✓ costs, the proximity to market, labour and materials</li></ul>   |
| <b>4.6 Working with suppliers</b>                 | <ul style="list-style-type: none"><li>• The role of procurement</li><li>• The impact of logistical and supply decisions on businesses</li></ul>  | <ul style="list-style-type: none"><li>✓ identifying goods and services to buy, choosing suppliers, ordering goods and services, receiving deliveries from suppliers</li><li>✓ time, length of supply chain, reliability of supply, costs, customer service</li></ul> |

## 5. Finance

In this section, learners explore the purpose of the finance function, its role in business and how it influences business activity. Knowledge and understanding of finance must include the following:

| Topic                                       | Content  | Points to include  |
|---|--|--|
| <b>5.1 The role of the finance function</b> | <ul style="list-style-type: none"> <li>• The purpose of the finance function</li> <li>• The influence of the finance function on business activity</li> </ul>  | <ul style="list-style-type: none"> <li>✓ provide financial information, support business planning and decision making</li> </ul>   |
| <b>5.2 Sources of finance</b>               | <ul style="list-style-type: none"> <li>• The reasons businesses need finance</li> <li>• Ways of raising finance</li> <li>• How and why different sources of finance are suitable for new and established businesses</li> </ul> | <ul style="list-style-type: none"> <li>✓ establishing a new business, funding expansion, to run the business, recruitment, marketing</li> <li>✓ loan, overdraft, trade credit, retained profit, sale of assets, owners' capital, new partner, share issue, crowdfunding</li> </ul> |



| Topic                                      | Content   | Points to include   |
|--|---|---|
| <b>5.3 Revenue, costs, profit and loss</b> | <ul style="list-style-type: none"> <li>• The concept of revenue, costs and profit and loss in business and their importance in business decision-making</li> <li>• The different costs in operating a business</li> <li>• Calculation of costs and revenue</li> <li>• Calculation of profit/loss</li> <li>• Calculation and interpretation of profitability ratios</li> <li>• Calculation and interpretation of average rate of return</li> </ul> | <ul style="list-style-type: none"> <li>✓ fixed, variable, total</li> <li>✓ gross profit, net profit</li> <li>✓ gross profit margin, net profit margin</li> </ul>  |
| <b>5.4 Break-even</b>                      | <ul style="list-style-type: none"> <li>• The concept of break-even</li> <li>• Simple calculation of break-even quantity</li> <li>• The usefulness of break-even in business decision-making</li> </ul>  | <ul style="list-style-type: none"> <li>✓ total costs = total revenue</li> <li>✓ informs marketing and planning decisions</li> </ul>   |
| <b>5.5 Cash and cash flow</b>              | <ul style="list-style-type: none"> <li>• The importance of cash to a business</li> <li>• The difference between cash and profit</li> <li>• The usefulness of cash flow forecasting to a business</li> <li>• Completion of cash flow forecasts</li> </ul>  | <ul style="list-style-type: none"> <li>✓ providing liquidity, enables business to meet short-term debts/expenses</li> <li>✓ planning tool, anticipates periods of cash shortage, enables remedies to be put in place for shortages, provides targets</li> </ul> |

## 6. Influences on business

In this section, learners explore the importance of external influences on business and how businesses change in response to these influences. Knowledge and understanding of influences on business must include the following:

| Topic   | Content  | Points to include   |
|---|--|---|
| <b>6.1 Ethical and environmental considerations</b> | <ul style="list-style-type: none"> <li>Ethical considerations and their impact on businesses</li> <li>Environmental considerations and their impact on businesses</li> </ul> | <ul style="list-style-type: none"> <li>✓ treatment of workers/suppliers/customers, sourcing of materials, marketing decisions</li> <li>✓ sustainability, waste disposal, pollution, climate change</li> </ul> |
| <b>6.2 The economic climate</b>                     | <ul style="list-style-type: none"> <li>The economic climate and its impact on businesses</li> </ul>  | <ul style="list-style-type: none"> <li>✓ changing levels of consumer income and unemployment</li> </ul>   |
| <b>6.3 Globalisation</b>                            | <ul style="list-style-type: none"> <li>The concept of globalisation</li> <li>The impact of globalisation on businesses</li> </ul>  | <ul style="list-style-type: none"> <li>✓ the growth of multinational companies, influences on business location, international branding, how businesses compete internationally</li> </ul>                    |

## 7. The interdependent nature of business

In this section, learners will need to use content from both component 01 and component 02 to make connections between different elements of the subject. They will need to draw together knowledge, skills and understanding from different

parts of the GCSE (9–1) course and apply their knowledge to business decision-making within a business context. Their knowledge and understanding must include the following:

### Content

- the interdependent nature of business operations, finance, marketing and human resources within a business context
- how these interdependencies underpin business decision making
- the impact of risk and reward on business activity
- the use of financial information in measuring and understanding business performance and decision making.

## 2d. Prior knowledge, learning and progression

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No prior learning or knowledge of business is required. Learners who are beginning a GCSE (9–1) in Business course might have studied some aspects of personal finance during PSHE.

The qualification provides the ideal foundation for learners to progress to AS level and A Level Business or other areas of vocational study.

There are a number of Business specifications at OCR. Find out more at: [www.ocr.org.uk/Business](http://www.ocr.org.uk/Business)

# 3 Assessment of GCSE (9–1) in Business

## 3a. Forms of assessment

The GCSE (9–1) in Business is a linear qualification with 100% external assessment.

OCR's GCSE (9–1) in Business consists of two examined components that are externally assessed.

Each component carries an equal weighting of 50% of the GCSE (9–1) qualification. Each examination has a duration of 1 hour and 30 minutes.

### Command words

Section B in both components is assessed using the command words below to signify the highest level of skill required.

|            | Assessment Objective   | Command words                         |
|------------|--|---------------------------------------|
| <b>AO1</b> | Demonstrate knowledge and understanding of business concepts and issues  | Identify, State, Explain              |
| <b>AO2</b> | Apply knowledge and understanding of business concepts and issues to a variety of contexts   | Calculate, Complete, Explain          |
| <b>AO3</b> | Analyse and evaluate business information and issues to demonstrate understanding of business activity, make judgements and draw conclusions | Analyse, Discuss, Evaluate, Recommend |

**Identify** and **state** requires learners to demonstrate knowledge.

**Explain** refers to the ability to demonstrate and/or apply knowledge and understanding.

**Calculate** and **complete** refer to the ability to apply quantitative skills as outlined in Appendix 5c of the specification.

**Analyse** encompasses the ability to 'explain' and refers to the ability to present logical chains of reasoning.

**Discuss** and **evaluate** encompass the ability to explain and to analyse and refers to the ability to weigh up both sides of the argument, or compare alternatives, and to come to a supported judgement.

**Recommend** refers to the ability to make a supported judgement.



## Business 1: business activity, marketing and people (01)

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This component is worth 80 marks, split into two sections and assesses content from business activity, marketing and human resources.

Section A contains multiple choice questions. This section of the component is worth 15 marks.

Section B includes short, medium and extended response style questions which use stimulus material that draws on real business contexts. This section of the component is worth 65 marks.

3

## Business 2: operations, finance and influences on business (02)

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This component is worth 80 marks, split into two sections and assesses content from operations, finance and influences on business. This component assumes knowledge of business activity, marketing and human resources.

Section A contains multiple choice questions. This section of the component is worth 15 marks.

Section B includes short, medium and extended response-style questions which use stimulus material that draws on real business contexts. This section of the component is worth 65 marks. Synoptic questions are included in section B.

### 3b. Assessment objectives (AO)

There are three Assessment Objectives in OCR’s GCSE (9–1) in Business. These are detailed in the table below.

Learners are expected to demonstrate their ability to:

|     | Assessment Objective   |
|-----|--|
| AO1 | Demonstrate knowledge and understanding of business concepts and issues  |
| AO2 | Apply knowledge and understanding of business concepts and issues to a variety of contexts   |
| AO3 | Analyse and evaluate business information and issues to demonstrate understanding of business activity, make judgements and draw conclusions |

### 3c. AO weightings in OCR GCSE (9–1) in Business

The relationship between the Assessment Objectives and the components are shown in the following table:

| Component  | % of overall GCSE (9–1) in Business (J204) |        |        |
|--|--|--------|--------|
|  | AO1  | AO2    | AO3    |
| Business 1: business activity, marketing and people (J204/01)        | 16–19%                                     | 16–19% | 14–16% |
| Business 2: operations, finance and influences on business (J204/02) | 16–19%                                     | 16–19% | 14–16% |
| <b>Total</b>   | 35%  | 35%    | 30%    |

In addition, learners will be required to demonstrate competence in the quantitative skills within the context of other areas of the GCSE (9–1) in Business

and not in isolation. At least 10% of the total marks for the qualification will reward the use of quantitative skills as detailed in Appendix 5c.

### 3d. Total qualification time

Total qualification time (TQT) is the total amount of time, in hours, expected to be spent by a learner to achieve a qualification. It includes both guided learning hours and hours spent in preparation, study,

and assessment. The total qualification time for GCSE Business is 140 hours. The total guided learning time is 120-140 hours.

### 3e. Assessment availability

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There will be one examination series available each year in May/June to all learners.

This specification will be certificated from the June 2019 examination series onwards.

All examined components must be taken in the same examination series at the end of the course.

### 3f. Retaking the qualification

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Learners can retake the qualification as many times as they wish. They must retake all components of the qualification.

### 3g. Assessment of extended response

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Extended response questions which are marked using a level of response mark scheme are included in all externally assessed components.

The assessment materials for this qualification provide learners with the opportunity to demonstrate their ability to construct and develop a sustained and coherent line of reasoning and marks for extended responses are integrated into the marking criteria.

### 3h. Synoptic assessment

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- Synoptic assessment is the learners' understanding of the connections between different elements of the subject. It involves the explicit drawing together of knowledge, skills and understanding in different parts of the GCSE (9–1) course.
- The emphasis of synoptic assessment is to encourage the understanding of business as a discipline.
- Synoptic assessment is a feature of the GCSE (9–1) qualification. Synoptic assessment is found in the Business 2: operations, finance and influences on business component where learners will be required to draw upon the full range of content from the specification to answer at least two of the questions in section B.

### 3i. Calculating qualification results

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A learner's overall qualification grade for OCR GCSE (9–1) in Business will be calculated by adding together their marks from the two components taken to give their total weighted mark. This mark will then be compared to the qualification level grade

boundaries for the entry option taken by the learner and for the relevant examination series to determine the learner's overall qualification grade.

## 4 Admin: what you need to know

The information in this section is designed to give an overview of the processes involved in administering this qualification so that you can speak to your examinations officer. All of the following processes require you to submit something to OCR by a specific deadline.

More information about these processes and deadlines involved at each stage of the assessment cycle can be found in the Administration area of the OCR website.

OCR's *Admin overview* is available on the OCR website at [www.ocr.org.uk/administration](http://www.ocr.org.uk/administration).

### 4a. Pre-assessment

#### Estimated entries

Estimated entries are your best projection of the number of learners who will be entered for a qualification in a particular series. Estimated entries

should be submitted to OCR by the specified deadline. They are free and do not commit your centre in any way.

#### Final entries

Final entries provide OCR with detailed data for each learner, showing each assessment to be taken. It is essential that you use the correct entry code, considering the relevant entry rules.

Final entries must be submitted to OCR by the published deadlines or late entry fees will apply.

All learners taking a GCSE (9–1) in Business must be entered for J204.

| Entry code | Title    | Component code | Component title  | Assessment type     |
|------------|----------|----------------|--|---------------------|
| J204       | Business | 01             | Business 1: business activity, marketing and people        | External Assessment |
|            |          | 02             | Business 2: operations, finance and influences on business | External Assessment |

## 4b. Special consideration

---

Special consideration is a post-assessment adjustment to marks or grades to reflect temporary injury, illness or other indisposition at the time the assessment was taken.

Detailed information about eligibility for special consideration can be found in the JCQ publication *A guide to the special consideration process*.

## 4c. External assessment arrangements

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Regulations governing examination arrangements are contained in the JCQ *Instructions for conducting examinations*.

Learners are permitted to use a scientific or graphical calculator for **both** components. Calculators are subject to the rules in the document *Instructions for conducting examinations* published annually by JCQ ([www.jcq.org.uk](http://www.jcq.org.uk)).

4

## Head of centre annual declaration

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The Head of Centre is required to provide a declaration to the JCQ as part of the annual NCN update, conducted in the autumn term, to confirm that the centre is meeting all of the requirements detailed in the specification.

Any failure by a centre to provide the Head of Centre Annual Declaration will result in your centre status being suspended and could lead to the withdrawal of our approval for you to operate as a centre.

## Private candidates

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Private candidates may enter for OCR assessments.

A private candidate is someone who pursues a course of study independently but takes an examination or assessment at an approved examination centre. A private candidate may be a part-time student, someone taking a distance learning course, or someone being tutored privately. They must be based in the UK.

Private candidates need to contact OCR approved centres to establish whether they are prepared to host them as a private candidate. The centre may charge for this facility and OCR recommends that the arrangement is made early in the course.

Further guidance for private candidates may be found on the OCR website: <http://www.ocr.org.uk>

## 4d. Results and certificates

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### Grade Scale

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GCSE (9–1) qualifications are graded on the scale: 9–1, where 9 is the highest. Learners who fail to reach the minimum standard of 1 will be Unclassified (U).

Only subjects in which grades 9 to 1 are attained will be recorded on certificates.

## Results

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Results are released to centres and learners for information and to allow any queries to be resolved before certificates are issued.

Centres will have access to the following results information for each learner:

- the grade for the qualification
- the raw mark for each component
- the total weighted mark for the qualification.

The following supporting information will be available:

- raw mark grade boundaries for each component
- weighted mark grade boundaries for the qualification.

Until certificates are issued, results are deemed to be provisional and may be subject to amendment.

A learner's final results will be recorded on an OCR certificate. The qualification title will be shown on the certificate as 'OCR Level 1/Level 2 GCSE (9–1) in Business'.

### 4e. Post-results services

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A number of post-results services are available:

- **Review of results** – If you are not happy with the outcome of a learner's results, centres may request a review of marking.
- **Missing and incomplete results** – This service should be used if an individual subject result for a learner is missing, or the learner has been omitted entirely from the results supplied.
- **Access to scripts** – Centres can request access to a marked script.

### 4f. Malpractice

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Any breach of the regulations for the conduct of examinations and non-examined assessment may constitute malpractice (which includes maladministration) and must be reported to OCR as soon as it is detected.

Detailed information on malpractice can be found in the JCQ publication *Suspected Malpractice in Examinations and Assessments: Policies and Procedures*.

## 5 Appendices

### 5a. Overlap with other qualifications

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There is no significant overlap between the content of this specification and those for other GCSE qualifications.

### 5b. Accessibility

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Reasonable adjustments and access arrangements allow learners with special educational needs, disabilities or temporary injuries to access the assessment and show what they know and can do, without changing the demands of the assessment. Applications for these should be made before the examination series. Detailed information about eligibility for access arrangements can be found in the *JCQ Access Arrangements and Reasonable Adjustments*.

The GCSE (9–1) qualification and subject criteria have been reviewed in order to identify any feature which could disadvantage learners who share a protected characteristic as defined by the Equality Act 2010. All reasonable steps have been taken to minimise any such disadvantage.

## 5c. Quantitative skills requirement

### Use of quantitative skills

The list below states the range and extent of mathematical techniques appropriate to GCSE (9–1) in Business. Learners must draw on the knowledge and understanding in section 2 of the specification to apply these skills to relevant business contexts.

### Calculation

Calculations in a business context, including:

- percentages and percentage changes
- averages
- revenue, costs and profit
- gross profit margin and net profit margin ratios
- average rate of return
- cash flow forecasts, including total costs, total revenue and net cash flow.

### Interpretation

Interpretation and use of quantitative data in business contexts to support, inform and justify business decisions, including:

- information from graphs and charts
- profitability ratios (gross profit margin and net profit margin)
- financial data, including profit and loss, average rate of return and cash flow forecasts
- marketing data, including market research data
- market data, including market share, changes in costs and changes in prices.

At least 10% of the total marks for the qualification will reward the use of quantitative skills at a level of demand which is not lower than that which is expected of learners at Key Stage 3 as outlined in the Department for Education's document *Mathematics programmes of study: Key Stage 3*, document reference DFE-00179-2013.



## Summary of updates

| Date          | Version | Section                  | Title of Section  | Change   |
|---------------|---------|--------------------------|---|--|
| April 2018    | 1.1     | i) Front Cover<br>ii) 4d | i) Disclaimer<br>ii) Results and Certificates:<br>Results           | i) Addition of Disclaimer<br>ii) Amend to Certification Titling  |
| January 2020  | 1.2     | 1e<br><br>4e             | How do I find out more<br>information?<br><br>Post-results services | Remove link to Social forum and<br>replace with link for Online<br>Support Centre<br><br>Amend Enquiries about results<br>to review of results |
| February 2021 | 1.3     |                          |   | Update to specification covers<br>to meet digital accessibility<br>standards   |
| February 2023 | 1.4     | 3                        | Assessment of GCSE (9-1) in<br>Business                             | Insertion of new section 3d.<br>Total qualification time   |





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# YOUR CHECKLIST

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*Our aim is to provide you with all the information and support you need to deliver our specifications.*

- Bookmark [OCR website](#) for all the latest resources, information and news on GCSE (9-1) Business
  - Be among the first to hear about support materials and resources as they become available – register for [GCSE Business](#)
  - Find out about our [professional development](#)
  - View our range of [skills guides](#) for use across subjects and qualifications
  - Discover our new online [past paper service](#)
  - Learn more about [Active Results](#)
  - Visit our [Online Support Centre](#)
-

## Download high-quality, exciting and innovative GCSE (9-1) Business resources from [ocr.org.uk/gcsebusiness](https://ocr.org.uk/gcsebusiness)

Resources and support for our GCSE (9-1) Business qualification, developed through collaboration between our Business Subject Advisors, teachers and other subject experts, are available from our website. You can also contact our Business Subject Advisors who can give you specialist advice, guidance and support.

### Contact the team at:

01223 553998

[business@ocr.org.uk](mailto:business@ocr.org.uk)

@OCRexams

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