










Unit 2: Business Dynamics

Use the faces to check and date your understanding of each section.

Section	Content			
AO1 Understand business organisations	Business objectives			
	Difference between profit and non-profit organisations			
	What a market is			
	What are market opportunities			
	Vision statements and aims			
	Stakeholders: internal/external			
	Consider stakeholder needs and potential conflict			
	Stakeholder and interests			
	Business ownership			
	Business vision and aims			
	Risk and uncertainty			
	Flat and tall organisation			
	Centralised and decentralised			
	Functional activities in a business			
	Hierarchy			
	Chain of command			
	Span of control			

Section	Content			
AO2 Investigate current business advantages	Recruitment planning and process			
	Internal and external recruitment			
	Methods of recruitment			
	Measuring the effectiveness of recruitment			
	Factors affecting the effectiveness of recruitment			
	Mintzberg's organisational types and characteristics			
	The effectiveness of business's organisational type			
	Understanding what gives a business a competitive advantage			
	USP, consumer benefits and production costs			
	The extent to which a business holds a competitive advantage			

Section	Content			
AO3 Consider business dynamics	Market share			
	Competitive position			
	Market maps			
	Porters five force analysis			
	The extent to which a business has a favourable competitive position			
	Role of management in improving competitive position:			
	Management policies to improve the competitive position of a business by modifying aspects of			

Section	Content			
AO4 Assess business potential	What is SWOT analysis			
	Strengths and weaknesses of a business's competitive position			
	Identifying key strengths and weaknesses affecting business performance			
	What are opportunities and threats to a business			
	External environment forces			
	Social and ethical forces			
	Technological forces			