

Unit 1

BTEC National Extended Certificate (Single) Summer Independent Learning 2026

Teacher: _____

Student: _____

This SIL work is compulsory. It will be the basis for your initial assessment test.

Summary of assessment

Learners study the purposes of different businesses, their structure, the effect of the external environment, and how they need to be dynamic and innovative to survive.

The number of UMS marks for the unit is 24

The assessment will take place in the first term.

Learning Aims

In this unit you will:

- A** Explore the features of different businesses and analyse what makes them successful
- B** Investigate how businesses are organised
- C** Examine the environment in which businesses operate
- D** Examine business markets
- E** Investigate the role and contribution of innovation and enterprise to business success

A) Explore the features of different businesses and analyse what makes them successful

Ownership: research the following types of business ownership, give a definition and explain the at least three advantages and three disadvantages of each type of ownership

Ownership	Definition	Advantages	Disadvantages
Sole Trader		• • •	• • •
Partnership		• • •	• • •
Private Limited Company (LTD)		• • •	• • •

Public Limited Company (PLC)		• • •	• • •
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When looking at ownership you may have come across some other key words, to make sure you understand what they mean please explain the following key words

Corporation	
Incorporation	
Unlimited Liability	
Limited liability	

Businesses have a number of stakeholders, these are people who are interested in a business. Stakeholders can be classified as internal (those within the business) and external (those outside of the business).

Internal stakeholders – employees, managers, owners

External stakeholders – suppliers, society, government, creditors, shareholders, customers

Using the information above, explain in the table below why each of the stakeholders would be interested in a business. State the stakeholder and add an explanation next to it.

Internal Stakeholders	
External Stakeholders	

B) Investigate how businesses are organised

Business are organised usually using either a flat or tall structure, this looks at the number of hierarchal layers that a business has.

Also, as well as tall and flat structures business layouts also include a matrix structure. In a matrix structure, individuals work across teams and projects as well as within their own department or function.

Matrix structure example:

	HR	FINANCE	OPERATIONS	MARKETING
Project A	X	X	X	X
Project B	X	X		X
Project C		X	X	X

C) Examine the environment in which businesses operate

D) Examine business markets

It is important that businesses assess the environment in which they operate, this can be done by using three different models, these are

SWOT Analysis

Strengths	Weaknesses	Opportunities	Threats
Things your company does well Qualities that separate you from competitors Internal resources such as skilled and knowledgeable staff	Things your company lacks Things your competitors do better than you Resource limitations	Few competitors in area Emerging need for product or service Press/media coverage of your company	Emerging competition Changing regulatory environment Negative press/media coverage

Watch the video and make summarised notes— [SWOT Analysis | McDonald's Examples](#)

- If the link doesn't open the video paste the following into your browser:

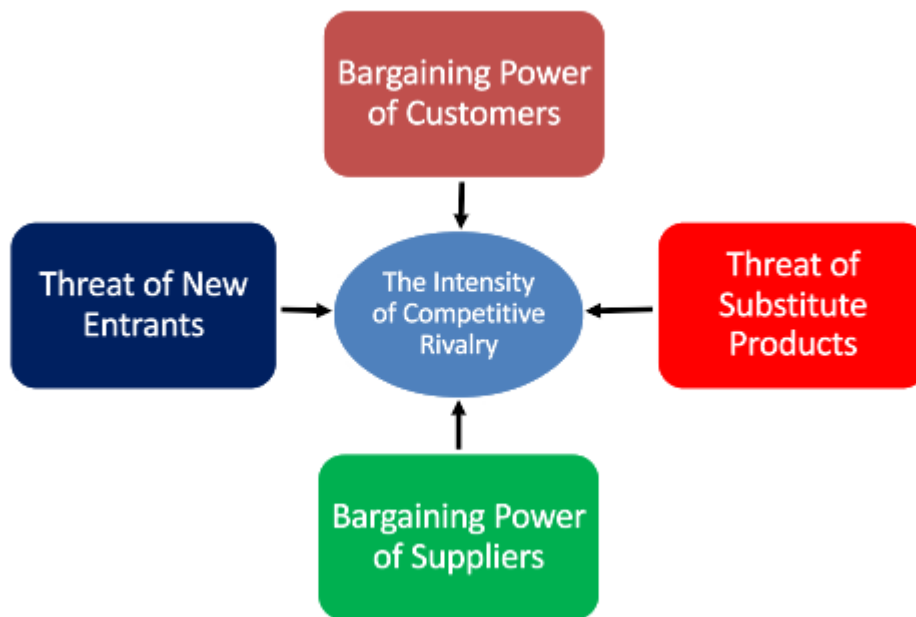
<https://www.youtube.com/watch?v=tPVsMTa7218>

PESTEL Analysis

Political	Economic	Social	Technology	Environment	Legal
Government policy	Economic growth	Population growth rate	Technology incentives	Weather	Discrimination laws
Political stability	Inflation	Age distribution	Level of innovation	Climate	Employment law
Corruption	Interest rates	Lifestyles and attitudes	Automation	Environmental policies	Consumer protection laws
Foreign trade policy	Exchange rates	Cultural barriers	R&D activity	Pressure from NGO's	Copyright and patent laws

Watch the video and make summarised notes— [PESTLE Analysis Explained | McDonald's Examples](#) - If the link doesn't open the video paste the following into your browser: https://www.youtube.com/watch?v=6N7yc_mjdJQ

Porter's Five Forces



Watch the video and make summarised notes— [Porter's Five Forces Explained | Supermarket Industry Examples](https://www.youtube.com/watch?v=30oFuYiYOp0). If the link doesn't open the video paste the following into your browser: **<https://www.youtube.com/watch?v=30oFuYiYOp0>**

E) Investigate the role and contribution of innovation and enterprise to business success

Research the following business and identify the innovative products that they have produced and explain how this has led to their success

	Products—how are they innovative?	How have their innovation led to their success
Apple		
BYD		

Shark / Ninja		
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