



IGCSE BUSINESS STUDIES 0450

Curriculum Content

1. Key benefits

Cambridge IGCSE® syllabuses are created especially for international students. For over 25 years, we have worked with schools and teachers worldwide to develop syllabuses that are suitable for different countries, different types of schools and for learners with a wide range of abilities. Cambridge IGCSE Business Studies is accepted by universities and employers as proof of an understanding of business concepts and techniques across a range of different types of businesses. Learners will be able to:

- understand different forms of business organisations, the environments in which businesses operate and business functions such as marketing, operations and finance
- appreciate the role of people in business success. They will also gain lifelong skills, including:
- the ability to calculate and interpret business data
- communication skills needed to support arguments with reasons
- the ability to analyze business situations and reach decisions or judgments.

Our programmes balance a thorough knowledge and understanding of a subject and help to develop the skills learners need for their next steps in education or employment.

2. Syllabus overview Aims

The syllabus aims summarise the context in which you should view the syllabus content and describe the purposes of a course based on this syllabus. They are not listed in order of priority. Not all the aims are necessarily subject to formal assessment. The aims are to enable candidates to:

- make effective use of relevant terminology, concepts and methods, and recognise the strengths and limitations of the ideas used in business
- apply their knowledge and critical understanding to current issues and problems in a wide range of business contexts
- distinguish between facts and opinions, and evaluate qualitative and quantitative data in order to help build arguments and make informed judgments
- appreciate the perspectives of a range of stakeholders in relation to the business environment, individuals, society, government and enterprise
- develop knowledge and understanding of the major groups and organisations within and outside business, and consider ways in which they are able to influence objectives, decisions and activities
- develop knowledge and understanding of how the main types of businesses are organised, financed and operated, and how their relations with other organisations, consumers, employees, owners and society are regulated
- develop skills of numeracy, literacy, enquiry, selection and use of relevant sources of information, presentation and interpretation
- develop an awareness of the nature and significance of innovation and change within the context of business activities.

Affiliations





Contents

1. Business and the environment in which it operates

Content	Topics
1.1 Business activity	<ul style="list-style-type: none"> • Business activity as means of adding value and meeting customer needs • Classification of local and national firms into primary, secondary and tertiary sectors • Business growth and measurement of size • Key features of a national economy
1.2 The Organization	<ul style="list-style-type: none"> • Business objectives and their importance • Stakeholders and their differing objectives • Aims of private and public sectors enterprises
1.3 The changing business environment	<ul style="list-style-type: none"> • Government influence over decision making by using economic policy measures • Impact of technology on business • Business reaction to market changes
1.4 Economic environment	<ul style="list-style-type: none"> • Mixed and market economies • International trade (access to markets and tariffs) • Problems entering new markets abroad • Competition and business • Exchange rates and how changes in them affect business

2. Business structure, organization and control

Content	Topics
2.1 Ownership and internal organization	<ul style="list-style-type: none"> • Relationship between objectives, growth and business organization • Limited and unlimited liability • Types of business organization • Growth of multinational companies • Control and responsibility • Internal organization • Internal and external communication • Internal communication (effective communication and its attainment)
2.2 Financing business activity	<ul style="list-style-type: none"> • Use of funds • Short and long term financial needs • Sources of internal and external funds • Factors affecting the methods of finance chosen

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3. Business activity to achieve objectives

Content	Topics
3.1 Marketing	<ul style="list-style-type: none"> • Role of marketing • Mass market, niche market • Marketing mix • Market research (primary and secondary) • Presentation and use of results • Market segmentation (purpose and methods) • Product (design, brand, packaging, life cycle) • Price (price elasticity of demand, pricing methods and strategies) • Distribution channels • Promotion (advertising, sales, point of sale) • Marketing strategy • Marketing budget
3.2 Production (operations management) decision making	<ul style="list-style-type: none"> • Using resources to produce goods and services • An appreciation of how production can be made more efficient • Methods of production (job, batch, flow) • Lean production • Quality control • Costs and cost classification • Break-even analysis and simple cost-based decision making • Scale of production • Location decisions
3.3 Financial information and decision making	<ul style="list-style-type: none"> • Cash and cash flow forecasts • Profit (what it is and why it matters) • Purpose and main elements of a profit and loss account • Purpose and main elements of balance sheet • Working capital • Simple interpretation of financial statements using ratios • Financial budgets • Users of accounts

4. People in business

Content	Topics
4.1 Human needs and rewards	<ul style="list-style-type: none"> • Role of work in satisfying human needs • Methods of financial reward • Non-financial rewards • Management styles and motivation methods
4.2 Manpower	<ul style="list-style-type: none"> • Stages of recruitment and selection • Training methods • Dismissal and redundancy

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5. Regulating and controlling business activity

Content	Topics
5.1 Reasons for regulations	<ul style="list-style-type: none">• Impacts of business decisions on people, the economy and the environment
5.2 Influences on business activity	<ul style="list-style-type: none">• Location decisions• Workforce and the working environment (health and safety, employment protection)• The consumer• External costs and benefits• Exchange rates• Business cycle

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Assessment

Assessment All candidates take two components, Paper 1 and Paper 2

Paper 1	1 hour 30 minutes	Paper 2	1 hour 30 minutes
Written paper 50%	80 marks	Written paper 50% 80 marks	
Four questions requiring a mixture of short answers and structured data responses Candidates answer all questions Externally assessed		Four questions based on a case study, provided as an Insert with the paper Candidates answer all questions Externally assessed	

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