BTEC Year 11 – 12 Summer Independent Learning 2022

By completing these activities as part of your Summer Learning, you will gain:

- a realistic expectation of the Business Studies at BTEC Business
- An appreciation of the fact that there will be lots of new content,even if you have studied GCSE Business Studies.
- an ability to contribute in class with real world examples
- an inquisitive mind
- An increased ability to hit the ground running at the start of theacademic year.

Completing this task will also help you develop the following skills:

Organisation

Problem Solving

Initiative

Communication

Please make sure that you complete all of the tasks fully and electronically if possible and bring your work for submitting on Microsoft Teams to be reviewed by your teacher in your first Business Studies lesson.

Table of Contents

Guidance and Support - 3

Pomodoro Technique - 4

Business Key Principles – 5

Role of innovation – 6/7

The creative process – 7 – 10

Product development – 10 -12

Increasing efficiency – 12 - 15

Exploiting ideas – 16 – 17

Adding value – 17 – 18

New services – 18 – 19

Samsung Scenario Activity – 20 -21

The Role of Enterprise – 22 - 25

Guidance and support

Organise your SIL work for all your subjects using the calendar below. You can write which days you will do your work. You can then repeat this process each week by creating your own and amending the times if needs be.

Week Commencing:_ **Weekly SIL planning timetable** **Weeks to go:**

	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Sunday
9:00 – 10:00							
10:00 – 11:00							
11:00 – 12:00							
12:00 – 13:00							
13:00 – 14:00							
14:00 – 15:00							
15:00 – 16:00							
16:00 – 17:00							
17:00 – 18:00							
18:00 – 19:00							

The Pomodoro Technique

THE POMODORO METHOD

ABOUT

POMODORO is a productivity method created by Italian developer Francesco Cirillo.

The name originates from the tomato-shaped timer that he used to track his time when he was completing assignments as a student.

"Pomodoro" is Italian for tomato

- **A simple time management and productivity technique**
- **Involves breaking a large task down into smaller tasks (called "pomodoros")**
- **Trains the brain to focus for short periods**
- **Over time it can build your attention span and ability to concentrate**

HOW

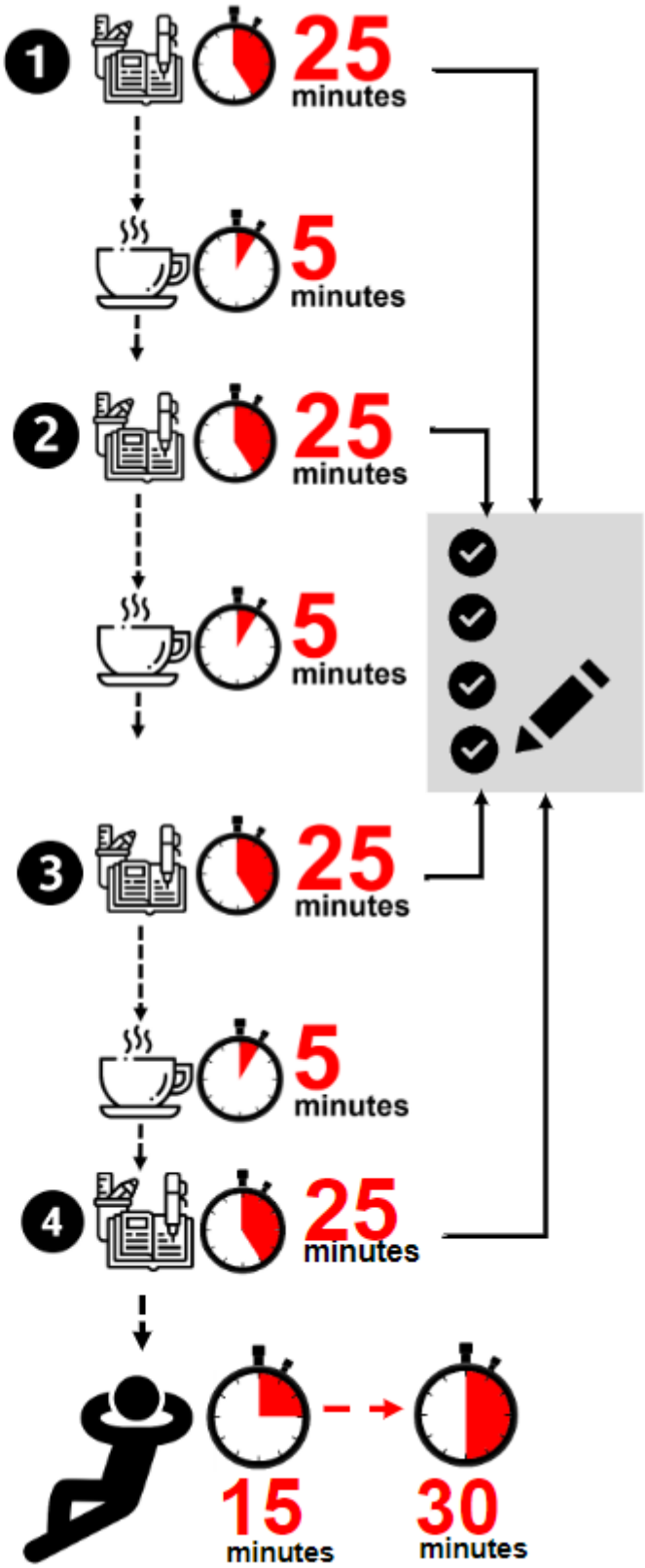
Choose the task that you wish to complete

Set a timer and work on that task for 25 minutes

When 25 minutes have elapsed, place a tick on a sheet of paper

Take a 5 minute break

Repeat this process 3 times, taking a longer break (15 – 30 minutes) after your fourth session



Business Key Principles

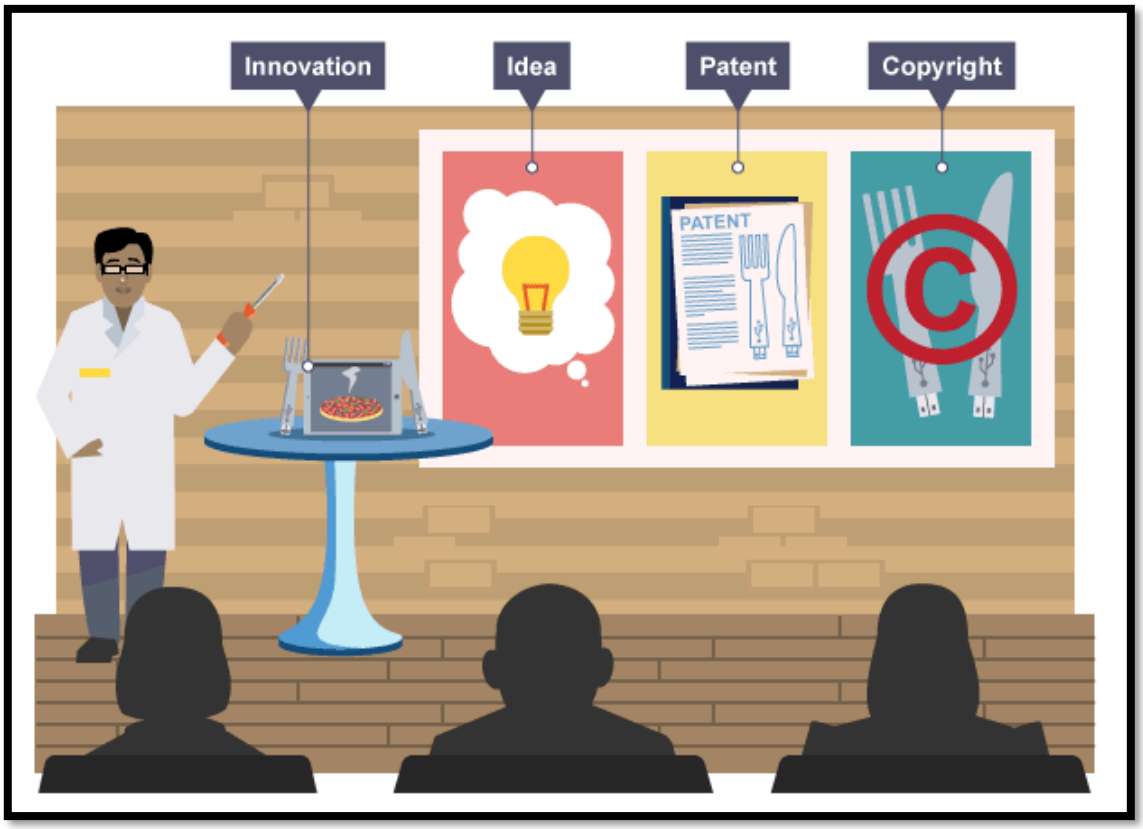
Term	Definition	Example
Business Objectives	These are measurable targets, which can be used to help achieve the mission. Profit, sales, growth, survival, cash flow, social and ethical are common business objectives. An objective can also be used to assess progress towards achieving the long-term goals of the business.	To increase profit by 5% by the end of 2021. To increase sales volumes of iPhone 13 by 10% by the end of 2022. To reduce waiting times of A&E patients by 2% by the end of 2021.
Mission	This is an aim a business hopes to achieve. This is usually found in a statement online and describe the reason for the business existing.	Google's mission is to is to organise the world's information and make it universally accessible and useful.
Revenue (TR)	This is the income a business receives in return for the sale of goods and services. It is calculated using the formula: **Selling price X quantity sold.** Revenue is the same as turnover and sales.	Firm A sells 500 sandwiches at a selling price of £3. 3 x 500 = £1500 **Q**: Firm C sells 600 TV's at a selling price of £150 and 400 DVD players at a selling price of £90. What is the revenue?
Fixed Costs (fc)	Fixed costs are costs which **do not vary** directly with the level of output. Fixed costs still exist even if the business is not producing any goods or services.	An example of a fixed cost is **rent** which will not vary whether the office or factory is used intensively to produce goods and services or hardly used at all.
Variable Costs (vc)	Variable costs are costs which **vary directly with the level of output** So if a firm increased production by 50% variable costs would increase by 50%.	Variable costs include things such as: - Fuel - Raw materials - Packaging
Total Costs (tc)	Total Costs are calculated by adding together fixed and variable costs. The formula is: **FC + VC**	fixed costs = £150 Variable Costs = £250 Total Costs = £400
Profit	**Profit** is a comparison between **costs** and **revenues**. The **formula** is: Total Revenue – Total Costs (TR – TC) If total revenue exceeds total costs then the business is making a **profit**. If total revenue is less than total costs then the business is making a **loss**.	**Q**: John's Pasta bar charges £10 for three courses and has an average of 800 customers per week. The variable costs are £4 and the fixed costs are £3,400 per week • **Calculate revenue** • **Calculate total costs** • **Calculate profit**

Unit 1 Exploring Business – The Role of Innovation

In preparation for starting your Unit 1 Exploring Business work, you will begin looking at what Innovation and Enterprise is and how this helps business remain competitive and successful.

Invention is about making new items, or finding new ways of making items.

Innovation involves bringing this new idea to the market, which is, turning an invention into a **product**.



A business can use the law to protect its business idea. For example, an entrepreneur can:

- Register **ownership** of an invention or new process and be given a **patent**. This can stop rivals from copying the idea for a set number of years.

- Sue for damages if others copy their work - **copyright** automatically arises for authors creating books, films, music or games.

- Register a **trademark**. A trademark is a symbol or phrase that a company can register with the government to make their company distinctive.

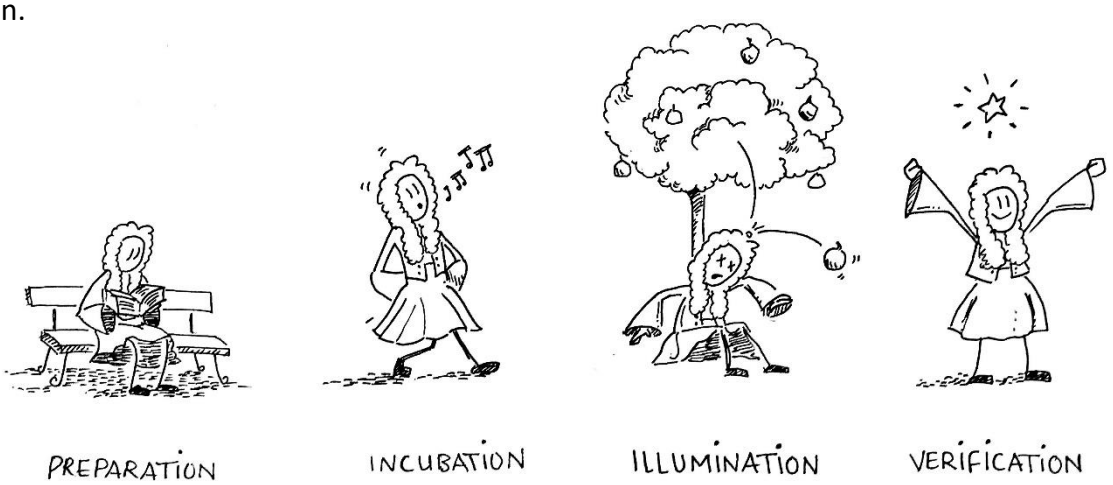
- A patent, copyright or trademark grants **legal ownership** and is only given for original work.

Retrieval Activity – Spiral.ac - Video & Questions

Using your camera on your smartphone (if iPhone, or download a QR code reader app), scan the QR code below, watch the video and answer the questions to about intellectual property.

The creative process

In order to support staff and businesses in their efforts to increase sales and market share (% sales compared to overall market sales), **a staged approach to creativity** can help generate encourage innovation.



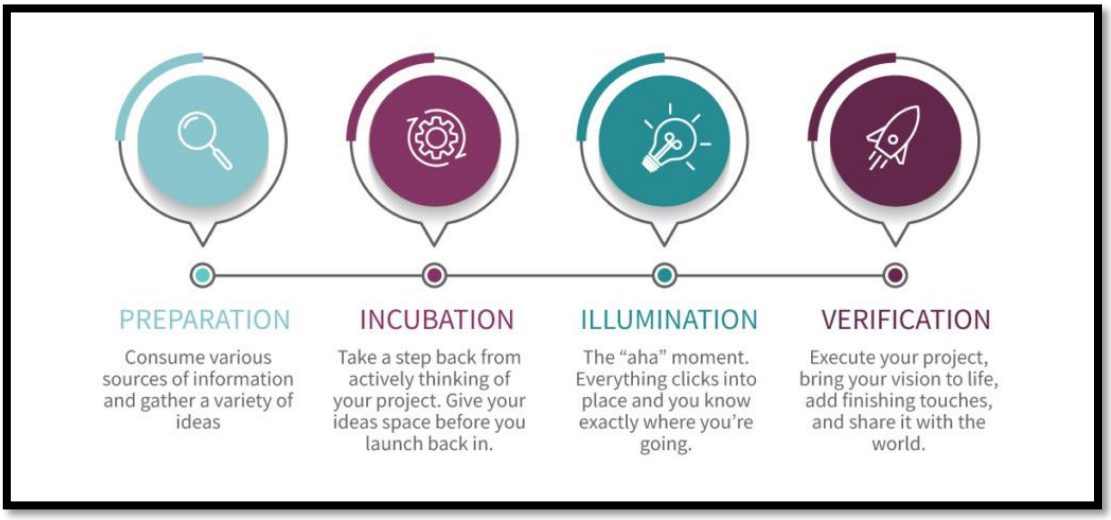
Researcher **Graham Wallis**, many years ago, set down a description of what happens as people approach problems with the objective of coming up with creative solutions. He described his four-stage process as follows:

1. In the **preparation** stage, we define the problem, need, or desire, and gather any information the solution or response needs to account for, and set up criteria for verifying the solution's acceptability.

2. In the **incubation** stage, we step back from the problem and let our minds contemplate and work it through. Like preparation, incubation can last minutes, weeks, even years.

3. In the **illumination** stage, ideas arise from the mind to provide the basis of a creative response. These ideas can be pieces of the whole or the whole itself, i.e. seeing the entire concept or entity all at once. Unlike the other stages, illumination is often very brief, involving a tremendous rush of insights within a few minutes or hours.

4. In **verification**, the final stage, involves carrying out activities to demonstrate whether or not what emerged in illumination satisfies the need and the criteria defined in the preparation stage.



Samsung's Creative Process

With constant advancements in their TV's, Tablets, smartphones etc. it's safe to say that innovation is a key part of Samsung's business model.

So how do they innovate? Do they have one person who constantly churns out their ideas? Do they go up and down their business seeking the next big idea? Well, it's a little more systematic than that.

You see, Samsung developed a New Concept Development (**NCD**) process that could be executed when innovating new products and services.

So they assembled a Project Innovation Team that would follow this NCD process and work with every business unit to provide more insight into the market.

ACTIVITY

Find the answers to the following questions:

1. Name all four of Samsung's NCD creative process steps in order.

2. What does PIT stand for?

3. What is the main activity done by the PIT at stage 1?

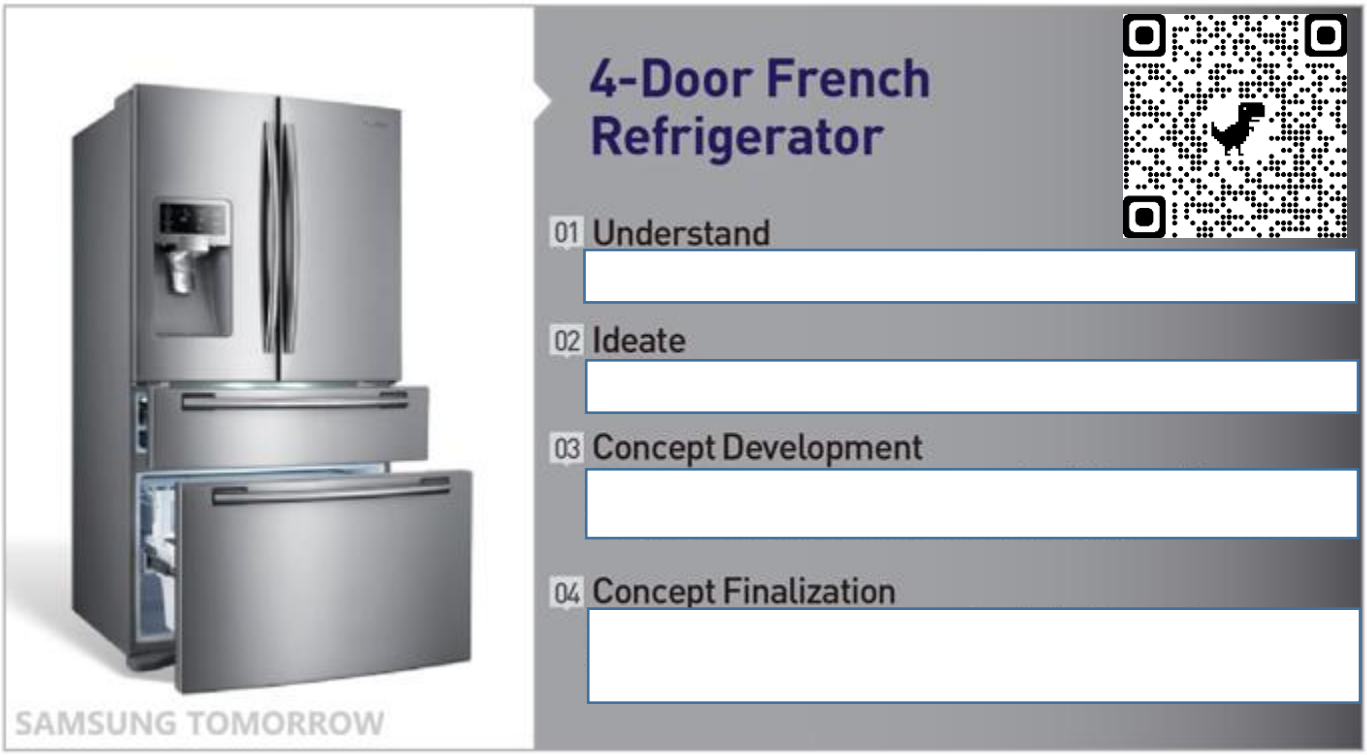
4. What is the main activity at stage 2 in the NCD process?

5. How is stage 3 different to stage for in the NCD process?

Samsung Creative Process Example:

ACTIVITY

Using the QR code, find and write in the boxes in the image, the relevant information for each stage for the following product:



Retrieval Practice – Quizlet

Using the QR code on your phone, you now need to test yourself on the terms you have just covered in this section. You need to select

Learn

Test

In the box below, **write a summary** of the following:

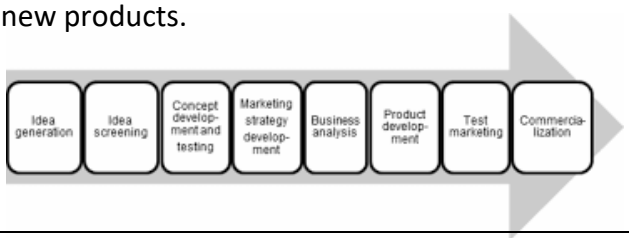
1. What the creative process is,
2. Why it is used
3. How Samsung use it
4. What some benefits are for the company of going through the process.

The creative process is…

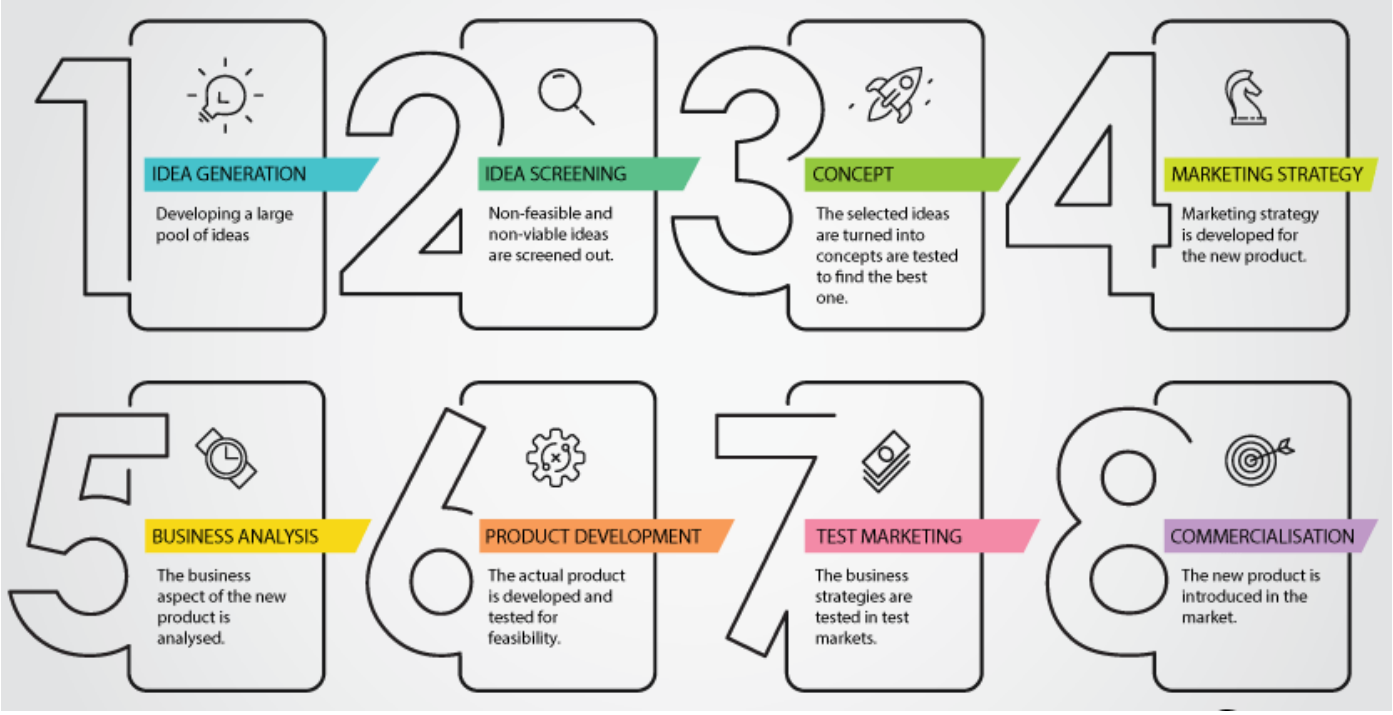
Product or service development

Products or service development require both innovation and logical steps to the process. There are theoretical models such as *Booz, Allen and Hamilton's* **New Product Development (NPD) model** which describes a process of activities carried out by businesses when developing and launching new products.

It can differ from business to business and be adapted so is flexible in its use but provides guidance and a way to innovate and develop new products.



New Product Development (NCP) Process



ACTIVITY

GRAVELY

edpuzzle

1. Head to www.edpuzzle.com
2. Click on '**Open Class**' at the top.

3. Type the code '**guptedv**' into the box.
4. Click on the video, watch and answer the questions.

ACTIVITY

SAMSUNG

<u>Using the QR to the right find the answer the questions below.</u>

Q1. What is so unique about the Galaxy Z Flip phone?

Q2. What was the reason and idea behind its development?

Q3. What did Samsung do at stage 3 of the NPD process that was important to get the details right?

Retrieval Practice – Quizlet

Using the QR code on your phone, you now need to test yourself on the terms you have just covered in this section. You need to select

Learn

Test

In the box below, **write a summary** of the following:

1. What New Product Development is
2. What the NPD process is
3. Why it is used
4. How Samsung use it
5. What some benefits are for the company of going through the process.

New product development is…

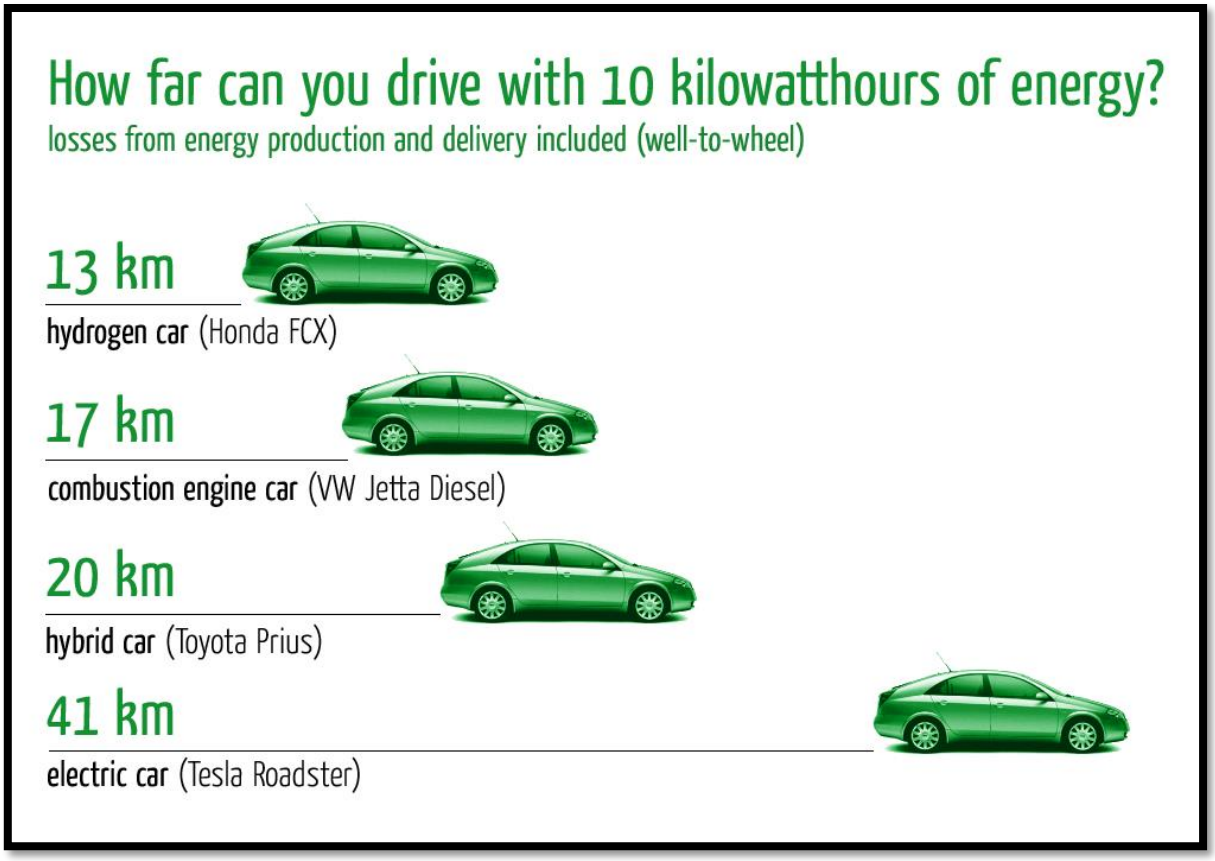
New ways of increasing business efficiency or profitability

Efficiency is the quality of being able to do a task successfully, without wasting time or energy.

There are many ways to increase agricultural efficiency in the poorer areas of the world.
...energy efficiency.

"Efficiency is the opposite of waste"

What does efficiency look like?



In business **efficiency** is **measured** by the inputs (land, people (labour), capital (money)) used to generate output (goods and services).

If a process becomes more efficient it **uses fewer inputs** to produce a given output and the **unit cost should fall** (it is cheaper to produce goods).

For example, if **employee A** (input) is able to **serve** 10 customers (output) in a restaurant in one hour compared to **employee B** who only serves 5 customers then they are more productive. We can calculate labour (employees) productivity using the following formula:

Total output / number of employees

Complete the table using the formula above to find the labour productivity of each of the factories.

	Output	No. of Workers	Labour Productivity
Factory Alpha	10,000	10	
Factory Beta	70,000	100	
Factory Charlie	100,000	125	

Q1. Which factory has the best labour productivity?	
Q2. Factory Beta introduces robots onto the production line. The output increases to 30,000 units using the same number of employees. What is the labour productivity per worker now? (show you workings out)	

3. Vartex employs 120 production staff. Their average earnings are £17,500 per year. This year's output is expected to be 42,000 units.	
3.1 Calculate labour productivity at Vartex	
3.2 Calculate the labour cost per unit	
3.3 What would happen to the cost per unit if the output is 64,000 units?	

4. Research has show Vartex's most efficient competitor pays £21,000 per year to its 80 staff. The staff produces a total annual output of 48,000 units.	
4.1 Calculate the competitor's labour productivity	
4.2 Both firms price their goods at £59.00. Assuming there are no other costs, what profit per unit is made by each business?	

1. Scan the QR code
2. Watch the Video on Toyota's innovation process
3. Answer the questions on Edpuzzle.

Q. Can you suggest **two ways** how a business might improve its labour productivity?

Q. Give two reasons why being efficient (e.g. having productive staff) is important business?

Retrieval Practice – Quizlet

Using the QR code on your phone, you now need to test yourself on the terms you have just covered in this section. You need to select

Learn

Test

In the box below, **write a summary** of the following:

1. What we mean by efficiency
2. What labour productivity is
3. What would being more efficient for Samsung look like?
4. What are the benefits for Samsung of being more efficient?

Efficiency means…

Successfully exploiting a new idea

To exploit is to take advantage of or make full use of something. In business, capitalising on an idea and then finding ways to create either a new business or new products is essential if you are to compete and be successful.

Innocent Smoothies

ACTIVITY

Using the QR code, find the answers to the following questions:

Q1. What did the three founders of Innocent Smoothies to help them decide whether they should launch their business?

Q2. What helped the company grow and sell into different locations? How did this help?

Q3. One of their lessons, is about success from simplicity, but what did they think was important to everyone and why?

ACTIVITY SAMSUNG

Using the QR to the right find the answer the questions below.

Q1. What idea did Samsung exploit during the COVID crisis?

Q2. What are the features of this product?

Q3. What are the likely benefits for Samsung of developing this product

Adding value to products

Adding value to products has become an expectation, especially as we are technology depended. Examples of digital and non-digital products include:

- **Adding Camera to mobile phones**
- **Internet- enabled phones**
- **Sandwich packages which also serves as a temporary tray**
- **Sirane' food packaging which used in the cooking process –**

ACTIVITY How many different examples of products can you find or come up with that have seen changes or editions made which has created added value to them? You can add images and the names of the products

ACTIVITY SAMSUNG

Using the QR to the write about:

Q. the different added value features that Samsung has added to its Galaxy S6 phones:

Q. The benefits for consumers and Samsung of offering these innovative features.

Some of the features on S6 and S6 edge which are not found on any other device are….

Differentiate from competitors:

Having new services and operating in new markets (targeting new customers or new locations) can help businesses to be different from their competitors. This helps create a **Unique Selling Point.** Some examples are:

- Introduction of tablets which can do what desktop computers do
- Standard broadband internet moving to Fibre Optic
- Online banking and mobile banking

Q1. Using the QR code and this link https://www.megainteresting.com/techno/article/why-is-tiktok-so-popular-901581513204 watch the video and then in the box below write down:

- What differentiates it from other social media platforms?

- What is so innovative about Tik Tok?

- What else makes it so appealing? What can young people do on the platform?

Q1. Using the QR code, write down what the key features of the Samsung Boost is.

Q2. What would be the reasons why such as service might be used?

Q3. What other **services** can you find that they have developed through Innovation?

ACTIVITY

SAMSUNG

Scenario: You on work experience for Samsung. They have asked you as part of your induction to the company **to produce an advertisement/poster that will be shown to shareholders and potential investors at the next shareholder meeting about *how innovative the company is.***

The advertisement/poster **must include** the following sections:

- The Samsung creative process
- Product development
- Increasing efficiency
- Exploiting new ideas
- Adding vale
- New services and differentiation (USP)

You can **use the notes you've taken from this SIL booklet** and any other research you wish to conduct. The advert/poster should also include:

- The company logo
- Suitable images
- A professional house style (consistent colour scheme, font, size)
- Information from research

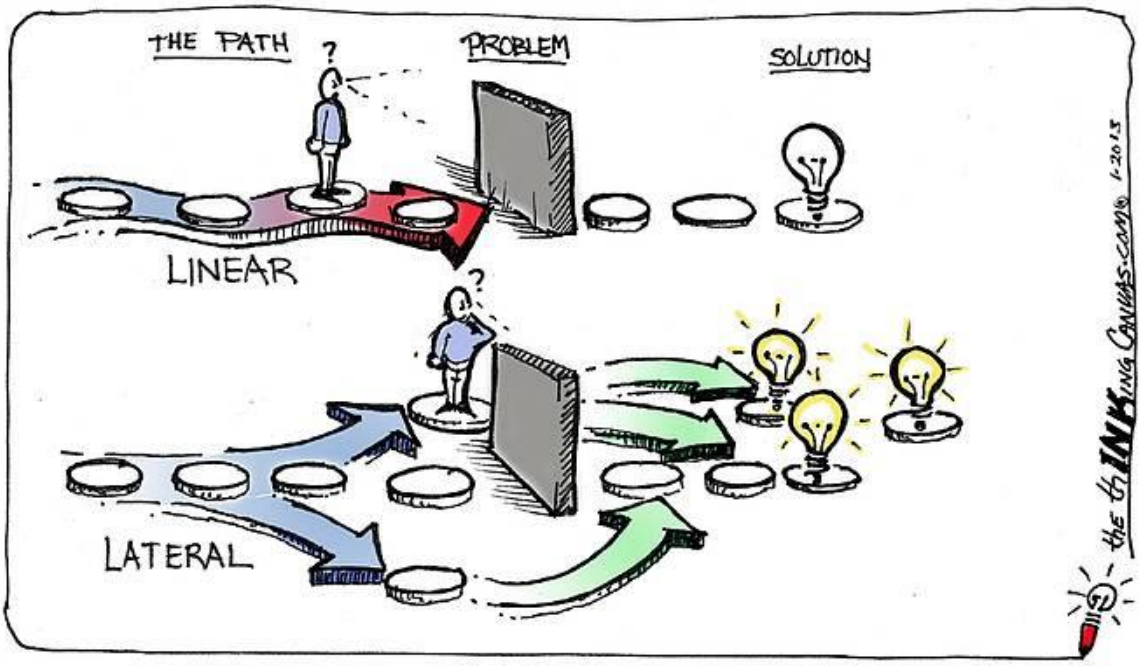
You can produce this on here (next page) or on another suitable piece of software e.g. Publisher.

The role of Enterprise

Enterprise involves people using their initiative to come up with ideas and turn them into businesses. It refers to any attempt to do something new.

Creativity is sought by employers and it is required if a business is to thrive. Organisations exist to support the research and development of creative enterprise. Project teams explore ways to develop exciting and creative commercial enterprises into subjects such as music, fashion, computing and cooking.

Lateral thinking

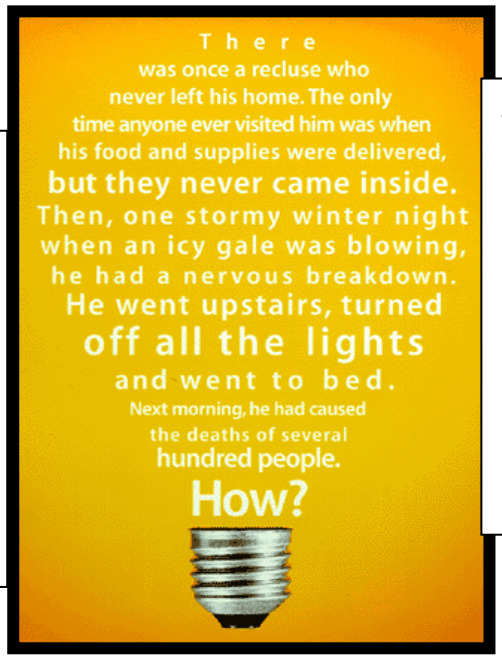


Lateral thinking is a concept originally crated by Edward De Bono to encourage creativity. You may know this has the 6 thinking hats which means considering an idea from the perspective of how others might view it.

ACTIVITY

Can you solve these puzzles?

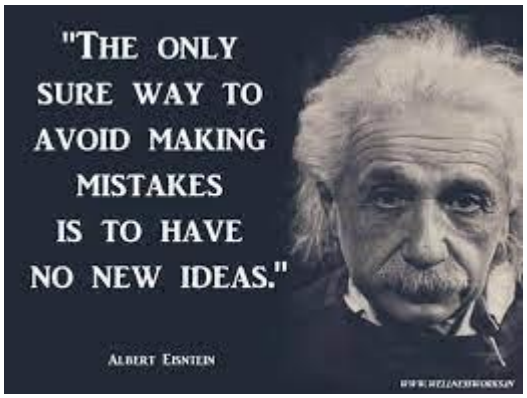
Answer/ides?



Answer/ideas?

Blue Sky Thinking

This represents a no holds barred approach to thinking creatively. Think of it as giving permission for anything to be possible – the sky is the limit to expand individual or group ideas beyond any constraints, which may appear to exist.



During a blue-sky thinking session, people often ask questions that break down the boundaries of traditional thought and open up new ways of thinking e.g.:

"If I was the richest person in the universe, how would I market this product?"
"What would this product look like if it were a mythical creature?"

Real-life example

In 1975, an American advertising executive called Gary Dahl came up with a unique idea to make money. He bought stones from a building yard and placed them into specially made boxes with breathing holes. He named them Pet Rocks. He sold his pet rocks for $3.95 each, and after six months he had sold 1.5 million of them, making a profit of millions of dollars.

Entrepreneur Gary Dahl used blue-sky thinking and made millions with his Pet Rock idea

For example, you have to **come up with possible profit making ideas that you could do during your summer holiday.** You can list a variety of ideas following a blue-sky thinking session e.g. buy and sell trainers, computer parts.

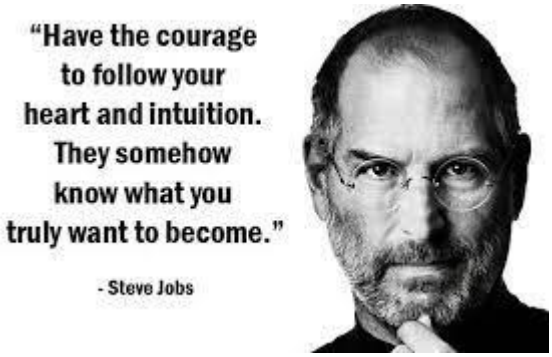
Serendipity

This is to do with **chance and pleasant discoveries that occur unexpectedly or by accident**. Kellogg's Corn flakes were discovered due to a delay in the cooking process. Penicillin and Viagra are also other examples of where they have been discovered by accident.

What other examples can you find of businesses unexpectedly finding or uncovering things or ideas and turning them into profit making products or businesses

Intuition

This is about the ability to understand something instinctively. It often requires many years of experience but theories exist that intuition occurs naturally because of complete thought processes.



Many suggest that Steve Jobs showed great insight with his creation for Apple – he famously did little market research but, rather, offered the market what he felt they wanted, with obvious success.

ACTIVITY

SAMSUNG

Q. Using the QR code, write down and explain **3 things** its does at its C-Lab Centre that help Samsung's employees to be creative, innovative and promote enterprise?

Quizlet

Retrieval Practice – Quizlet

ACTIVITY

Using the QR code on your phone, you now need to test yourself on the terms you have just covered in this section. You need to select

Learn

Test