

Business management teacher support material

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Diploma Programme

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Published February 2022

Published on behalf of the International Baccalaureate Organization, a not-for-profit educational foundation of 15 Route des Morillons, 1218 Le Grand-Saconnex, Geneva, Switzerland by the

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Cardiff, Wales CF23 8GL
United Kingdom
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IB mission statement

The International Baccalaureate aims to develop inquiring, knowledgeable and caring young people who help to create a better and more peaceful world through intercultural understanding and respect.

To this end the organization works with schools, governments and international organizations to develop challenging programmes of international education and rigorous assessment.

These programmes encourage students across the world to become active, compassionate and lifelong learners who understand that other people, with their differences, can also be right.



IB learner profile

The aim of all IB programmes is to develop internationally minded people who, recognizing their common humanity and shared guardianship of the planet, help to create a better and more peaceful world.

As IB learners we strive to be:

INQUIRERS

We nurture our curiosity, developing skills for inquiry and research. We know how to learn independently and with others. We learn with enthusiasm and sustain our love of learning throughout life.

KNOWLEDGEABLE

We develop and use conceptual understanding, exploring knowledge across a range of disciplines. We engage with issues and ideas that have local and global significance.

THINKERS

We use critical and creative thinking skills to analyse and take responsible action on complex problems. We exercise initiative in making reasoned, ethical decisions.

COMMUNICATORS

We express ourselves confidently and creatively in more than one language and in many ways. We collaborate effectively, listening carefully to the perspectives of other individuals and groups.

PRINCIPLED

We act with integrity and honesty, with a strong sense of fairness and justice, and with respect for the dignity and rights of people everywhere. We take responsibility for our actions and their consequences.

OPEN-MINDED

We critically appreciate our own cultures and personal histories, as well as the values and traditions of others. We seek and evaluate a range of points of view, and we are willing to grow from the experience.

CARING

We show empathy, compassion and respect. We have a commitment to service, and we act to make a positive difference in the lives of others and in the world around us.

RISK-TAKERS

We approach uncertainty with forethought and determination; we work independently and cooperatively to explore new ideas and innovative strategies. We are resourceful and resilient in the face of challenges and change.

BALANCED

We understand the importance of balancing different aspects of our lives—intellectual, physical, and emotional—to achieve well-being for ourselves and others. We recognize our interdependence with other people and with the world in which we live.

REFLECTIVE

We thoughtfully consider the world and our own ideas and experience. We work to understand our strengths and weaknesses in order to support our learning and personal development.

The IB learner profile represents 10 attributes valued by IB World Schools. We believe these attributes, and others like them, can help individuals and groups become responsible members of local, national and global communities.

Overview

This teacher support material (TSM) has been written by IB educators experienced in supporting students and fellow educators in the study and teaching of business management.

The advice is neither prescriptive nor exhaustive, but is designed to provide teachers with:

- further guidance on approaching the teaching and learning of business management
- suggestions for unit and lesson plans
- some responses to frequently asked questions.

Please note that any suggestions for unit and lesson plans, teaching ideas or approaches are intended as examples and helpful guidance only; they are not intended to be in any way prescriptive or restrictive. Teachers are encouraged to exercise creativity and flexibility when putting their business management course together, and to choose examples and materials that meet their specific interests and needs, as well as those of their students.

Acknowledgement and disclaimer

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Approaches to teaching

Teaching based on an inquiry approach

Why is inquiry important?

- We learn more when we are curious about what we learn and this is considered to be motivating.
- Inquiry strengthens different skills, such as: transfer, communication and self-management skills.
- With the amount of information available, inquiry is a necessary part of learning.
- Inquiry engages students in real-life authentic contexts.

Inquiry in the DP

The IB philosophy revolves around inquiry in different disciplines.

The learner profile stresses the importance of inquiry. Students are expected to develop their natural curiosity, together with the strategies and skills needed to become autonomous lifelong learners. Students are also expected to think for themselves so that they can approach complex problems and apply their knowledge and skills critically and creatively to arrive at reasoned conclusions or answers.

(IBO 2015)

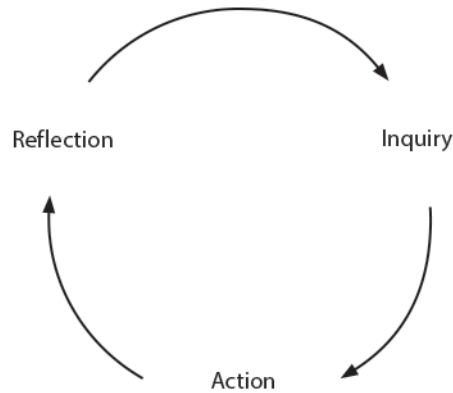
Inquiry in the business management classroom

In an inquiry classroom, students and teachers need a shared language to talk and think about learning. Inquiry learning requires higher-order thinking, where teachers challenge the students by designing tasks that have questions and require analysis, predictions and reflection. Investigation and questioning both drive inquiry and these are linked to contexts for a more authentic approach.

Inquiry can take place everywhere. Students do not have to be in a classroom to inquire and quality inquiry can happen anywhere. Inquiry requires collaborative skills. Skills are taught explicitly to enable students to “learn how to learn”.

An example of a business management inquiry question, exploring the key concept of sustainability, is: how environmentally sustainable is the shift to using electric cars as opposed to petrol fuelled cars? Students could inquire and research this question in groups, by collaborating, reflecting and then communicating by sharing their results with the class. This falls under the inquiry cycle and builds on the articulation of ideas, accepting different points of view and manifests communication skills.

Figure 1
Inquiry cycle



Inquiry classrooms are spaces that nurture curiosity, they are flexible and accept different ways of learning and different opinions.

Another business management inquiry example could be a class debate on evaluating the impact of culture on business behaviour. While carrying out the debate, the inquiry classroom environment needs to be challenging and open to intellectual engagement. This inquiry classroom is a space of possibility, where students are active participants who can inquire and bring in different beliefs and points of view creating a dynamic process of learning.

The inquiry teacher

Being an inquiry teacher is more than following the inquiry cycle or asking questions, it is a deep process of learning. Inquiry teachers are inquirers themselves so both the teacher and students are continually learning, which means “this is a work in progress”.

Business management inquiry teachers:

- listen, interact and engage with students
- ask questions to challenge thinking, they often post open-ended questions to frame their teaching
- help students link their investigation to an authentic context
- allow students to discover for themselves and make some decisions to their learning
- use a variety of teaching strategies and make connections between ideas and disciplines
- collaborate with other teachers
- use subject-specific terminology
- use a wide range of resources
- encourage participation
- know their students well, which enables them to ask the questions that provoke inquiry and drive learning
- establish a well-connected community of learners
- challenge higher order thinking through authentic tasks
- think of what is going on and not assume that something is going on (for example, a student that does not participate is not necessarily disengaged or disconnected)
- tell the students to find out for themselves.

Inquiry questions

There are three different types of questions that teachers should take into consideration when planning. These questions are factual, conceptual and debatable. The main features of the three question types are as follows.

Factual

- Knowledge/fact based
- Content driven
- Skills related
- Supported by evidence
- Can be used to explore terminology in the statement of inquiry
- Frequently topical
- Encourage recall and comprehension
- Questions can start with **what** or **how**

Conceptual

- Enable the use of facts and concepts to debate a position
- Promote discussion
- Explore significant ideas and issues from multiple perspectives
- Can be contested
- Have tension
- May be deliberately provocative
- Encourage synthesis and evaluation
- Questions can start with **how** or **why**

Debatable

- Enable exploration of big ideas that connect facts and topics
- Highlight opportunities to compare and contrast
- Explore contradictions
- Lead to deeper disciplinary and interdisciplinary understanding
- Promote transfer to familiar or less familiar situations, issues, ideas and contexts
- Encourage analysis and application
- Questions can start with **to what extent**

Business management examples of inquiry questions

Unit	Questions
Unit 4: Marketing 4.5 The seven Ps of the marketing mix	Factual: What are the different types of pricing strategies? Conceptual: How can a business change its position through effective pricing strategies? Debatable: To what extent can companies use only pricing strategies to set their products' prices?
Unit 2: Human resource management 2.2 Organizational structure	Factual: What is an organizational structure? Conceptual: How does an organizational structure affect creativity in a business? Debatable: To what extent does a flat structure support innovation?

Unit	Questions
Unit 1: Introduction to business management 1.5 Growth and evolution	Factual: What are the different types of growth? Conceptual: Why is external growth sometimes considered to be unethical? Debatable: To what extent do multinationals provide growth to the host country?

Levels of inquiry

1. **Structured inquiry:** the students follow the lead of the teacher as the entire class engages in one inquiry together. The teacher is a conductor.
2. **Controlled inquiry:** the teacher chooses and identifies the resources students will use to answer questions. The teacher is a conductor.
3. **Guided inquiry:** the teacher chooses topics/questions and students design products or solutions. The teacher is a facilitator.
4. **Open/free inquiry:** the students choose their topics without reference to any prescribed outcome. The teacher is a mentor.

How to develop the levels of inquiry in business management

Case studies/simulations are an excellent tool to develop levels of inquiry in business management classes. Teachers can use the different steps of problem solving with their students, which are: define the problem precisely, find out what students know and what they need to know, decide how to proceed to find out what they need, gather all the information, analyse the information obtained, create possible solutions, work through the feasibility of each one, and finally, narrowing the possibilities down to their best, justifying the solution(s) (Prince, Felder 2007), (Guided inquiry: teacher as a facilitator).

Debating—for example, using a TOK question such as: to what extent does intuition, imagination and reason influence the decision to set up a new business? (Structured inquiry: teacher as a conductor).

Revision exercises using multiple choice questions and true/false statements (Controlled inquiry: teacher as a conductor).

Presentations in student groups, for example, to analyse the different pricing strategies used by a business including their advantages and disadvantages (Guided inquiry: teacher as a facilitator).

Teamwork, where students develop a product/service together based on a survey they conducted in their school community (Free inquiry: teacher as a mentor).

Reflection on their process of learning. One tool could be the KWHLAQ chart to scaffold their previous learning and see how they can proceed further in their inquiry process.

- K: What do I **know**?
- W: What do I **want** to know?
- H: **How** do I find out?
- L: What have I **learnt**?
- A: What **action** will I take?
- Q: What new **questions** do I have?

(Guided inquiry: teacher as a facilitator)

Case-based learning, experiential learning and problem-based learning

Three approaches to inquiry-based learning have been identified: case-based learning (CBL), experiential learning and problem-based learning (PBL).

Case-based learning

In CBL students' study "historical or hypothetical cases involving scenarios likely to be encountered in professional practice" (Prince, Felder 2007). A case based learning approach can be applied in different disciplines to reveal the key issues and problems, and then resolve them. In contrast to PBL, case studies can contain much more organized, structured and discrete data for students to work on and cases are often more similar to a student's normal classroom work than a real-world problem can seem to be.

Case studies can be carefully chosen to illustrate specific and important issues.

In CBL students can study theories such as motivation and provide solutions or recommendations to problems of high staff turnover being experienced by certain companies.

The difference between PBL and CBL is that PBL is based on open inquiry, teamwork and critical thinking. However, CBL uses a guided inquiry approach and provides more structured and small group sessions.

Experiential learning

Experiential education refers to learning activities that engage the learner directly in the phenomena being studied.

(Kendall 1986)

Experiential learning is a type of inquiry learning often structured around site visits, field trips, work experience placements, practicum, exchange programmes and project and service learning but it can also occur within a normal classroom environment. All that is really required is for students to be enabled to learn from their own experience. Business management students can visit different businesses, for example, a bakery that incorporates batch production or car factory that uses mass production to deliver end products to consumers.

Learning something new heightens the power of experiential learning with the student being challenged and taking action. A thorough reflection process helps to embed the learning.

Problem-based learning

In PBL, students analyse and propose solutions to a real-world problem that is usually presented to them in an unstructured and often open-ended manner. The students usually operate in teams or collaborative groups and work through a problem-solving process to:

- define the problem precisely
- find out what they know and what they need to know
- decide how to proceed to find out what they need
- gather all the information—this can be provided by the teacher or not
- analyse all the information gathered
- create possible solutions
- work through the feasibility of each one
- narrow the possibilities down to their best, justifiable solutions that may then be presented to the rest of the class and a whole-class analysis of the possible solutions can then be undertaken (Prince, Felder 2007).

One example to engage business management students in PBL would be providing information about two possible scenarios, which include both qualitative and quantitative data. Students can work on analysing the data, drawing comparisons and evaluations and finally recommending the best option based on their interpretation.

Teaching focused on conceptual understanding

What is a concept?

Concepts are broad, powerful organizing ideas that have relevance both within and across subject areas. Exploring concepts helps students to build the capacity to engage with complex ideas, and discussion of

the “big ideas” behind a topic can help students get to the heart of why they are learning a particular unit or option. There is also a strong link between teaching through concepts and moving students to higher-order thinking; for example, it allows students to move from concrete to abstract thinking, and facilitates the transfer of learning to new contexts. (IBO 2015)

Concepts:

- are broad and important organizing ideas
- are important for interdisciplinary and disciplinary development
- help students develop the ability to tackle complex ideas and discuss the “big ideas”—it helps discover why they study a unit or content
- allow students to move from concrete to abstract thinking
- facilitate the transfer of learning to new contexts
- are based on what the student knows, understands and can do
- are used by teachers for inquiry and debate in class (Erickson 2002).

Teaching through concepts leads to:

- deeper understanding of the subject group
- appreciation of ideas that transcend disciplinary boundaries
- engagement with complex ideas, including the ability to transfer and apply ideas and skills to new situations (Erickson 2008).

The concept-driven curriculum frameworks of the DP help learners to co-construct meaning as they become increasingly competent, critical and creative thinkers, who can transfer knowledge and take responsibility for their own learning.

Teaching through concepts encourages teachers to work across national and cultural boundaries. Concepts promote a broad approach to education that can encompass many ways of thinking, inspire a variety of experiences, and open doors to exciting and highly relevant interdisciplinary learning. Concepts can be interpreted differently and explored from various perspectives and at different levels of complexity. As students develop and deepen their understanding, they can use concepts to innovate, address challenges and solve problems.

Two-dimensional model versus three-dimensional model

The two-dimensional model drives traditional curriculum design and focuses on facts and skills. On the contrary, the three-dimensional, concept-based model emphasizes the importance of concepts and creates deep knowledge, transferable understanding and higher-order thinking skills. In this model concepts, skills and facts all work to support conceptual understanding (Erickson, Lanning 2014).

An example of using the three-dimensional model in business management is exploring business objectives from an ethical perspective. A student can evaluate how ethical the business objectives of a certain company are and compare it to other businesses in the same industry and come up with a short essay reflecting on their findings.

The three dimensions are as follows.

- Content: business objectives
- Skills: thinking and communication
- Concept: ethics

In the three-dimensional model, topics, facts and skills remain important components of the model.

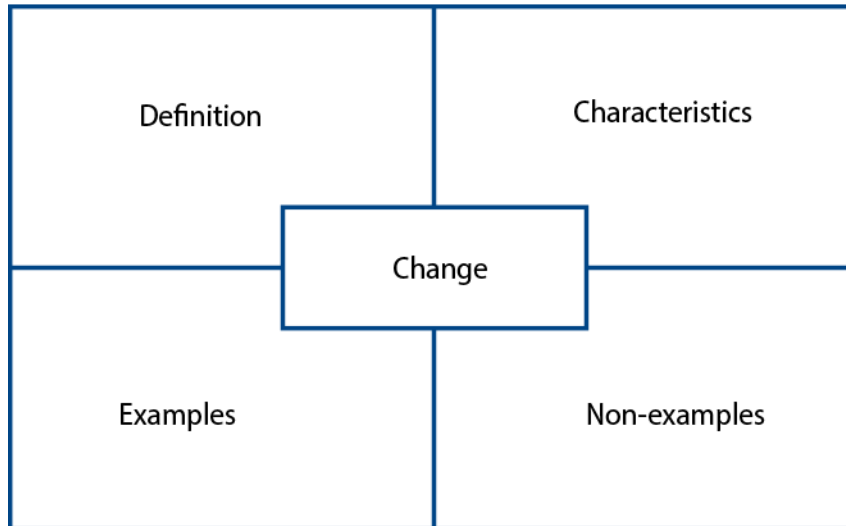
Activities to support student understanding of concepts in business management

For students to understand that the four concepts (**change, creativity, ethics** and **sustainability**) act as an umbrella for all the course content, the activities can be used.

For example, the concept of **change** can be introduced and discussed in class at the beginning of the year when teaching the first unit of the course. Using an inquiry approach the students can construct a Frayer

model, by showing their understanding of the concept through defining it and stating its characteristics. Finally, they can provide examples and non-examples of the concept.

Figure 2
Frayer model diagram: Change



Towards the end of the first unit, the students reflect on their understanding of the concept using the visible thinking routine, **I used to think, now I think ...**

Articles or videos

Teachers share a video or article with students in class. This can be done as a whole-class activity or by dividing students in groups. After watching the video or reading the article students then:

- make a connection between the video or article content and an appropriate concept, content or context in business management
- share their insights on the relationship between the video or article content and an appropriate concept, content or context in business management.

Card game

At the end of the year, students individually or in groups can select a concept they like and connect it to any business management content they have learned. Cards are then switched between students or groups. On receiving a different card from another student/group, they then add on the card that they think is missing regarding the concept's potential connection to the subject's content.

Concepts in internal assessment

The concepts will be explicitly assessed in the IA, specifically in criterion A. However, teaching and learning must be authentic and integrate the four concepts through different types of inquiry and constant reference to real-world examples.

Teaching developed in local and global contexts

All knowledge is contextual

There is a connection between knowledge and application of knowledge, knowing and doing, and between content and context. This must be well comprehended by educators in order for students to have a meaningful education. Connecting teaching to a real context whether being global or local does not

guarantee a well-balanced learning experience. For this experience to be effective, there must be interaction of teaching methods, content, situations and timing.

Contexts make learning authentic

The heart of contextual teaching and learning is the connection that leads to meaning and authenticity. When young people can connect the content of an academic subject with their own experience, they discover meaning, and meaning gives them a reason for learning. Connecting learning to one's life makes studies come alive (Johnson 2002).

Examples of contextualized teaching approaches and activities in business management include the following.

- Discussion of business events and issues in the news, which also helps prepare students for the IA.
- Use of current news articles for creating data response questions.
- Use of online resources to provide up-to-date information for analysis.
- A careers day can be arranged, where different students visit different business organizations to answer business related questions related to a certain topic.

Then the following thinking routine can be implied to reflect on the experience.

- **Connect**—how did your learning in the visit connect with what you already understand?
- **Extend**—how did this extend your thinking? What new ideas or insights did it give you?
- **Challenge**—what questions did this raise for you? What was challenging, or what would you challenge, and why?

Teaching focused on effective teamwork and collaboration

What is meant by teamwork?

Teamwork is a form of collaboration where groups with one common goal work effectively together to pursue it. When compared to working individually, teamwork is considered to be a productive way to achieve a better outcome and provoke a collaborative environment.

Individuals are important; however, efficient teamwork goes beyond that. Accomplishments are achieved when harmonized groups work together on reaching an interest or common goal.

Characteristics of effective teams

The following characteristics are those of an effective team. The team must have:

- a clear, elevating goal
- a results-driven structure
- competent team members
- unified commitment
- a collaborative climate
- standards of excellence
- external support and recognition
- clear differentiation [in the roles of each team member] (Larson, LaFasto 1989).

Possible teamwork activities for business management

Idea building blocks

- Divide the class into teams and present them with a business-related problem.

- One team member writes down a solution and passes the piece of paper along to the next team member, who builds upon that idea.
- The paper is passed around until each team member has added onto the original solution.
- When the time is up, a spokesperson in the team presents their final solution to the rest of the group or to the class.

“Shark Tank”

- Students in class are divided into teams.
- Each team of students thinks of a product idea, brand name, logo and marketing strategy, which is then presented to a “panel” made up of other students (sharks).
- Feedback from the sharks in the panel is then provided to those who presented their ideas.
- This team building activity can be used in the classroom to encourage creative thinking and develop time management, presentation and public speaking skills.

Classify this

- As a revision activity, groups of students are given different business terminology and asked to categorize it under the most suitable business management topic within a certain time frame.
- When the time is over, the teacher then shows the class the answers (most appropriate categorizations).
- This can also be conducted in the form of a competition.

Open ended questions

A case study is given to the class where a real-world issue or problem is raised and two solutions are suggested. The teacher then divides the class into two teams and each team is given one of the solutions to defend using a debate format. Each team receives a different solution.

Peer collaboration

Students respond to a question in pairs, preferably extended response questions such as the question 3 in paper 3. Specific attention can be placed on the assessment criteria. The objective is to understand and follow the criteria, in addition to planning an extended response question before answering it.

Cards

Revision exercise

- A topic from the business management course is chosen for revision.
- Each student receives a blank card and writes two significant words about the topic on the card.
- Each student then reads out their card to the whole class.
- As students are reading out their cards each student fills in the key words they may have missed.
- Students then make connections to the key concepts or real-world contexts and discuss in small groups. For example, using the topic crowdfunding—to what extent is crowdfunding a sustainable source of finance for a business?

Teaching differentiated to meet the needs of all learners

What is meant by differentiation?

Differentiation means modifying and changing the ways of instruction to suit different student needs. Teachers tailor the teaching methodologies to accommodate for different learners. Differentiation is monitored and made successful through ongoing assessment and flexible groups.

There are four types of differentiation business management teachers can consider.

1. Differentiation by content
2. Differentiation by process
3. Differentiation by product
4. Differentiation in the learning environment

Differentiation by content

This includes differentiating the subject matter and skills (Tomlinson, Eidson 2003).

Content consists of knowledge, concepts and skills that are based on the curriculum. The way content is delivered is how differentiation takes place here. Teachers can use:

- videos
- articles
- readings
- audios to deliver the content
- games
- discussion groups
- graphic organizers (Dau 2015).

Differentiation by process

Process is how students create a personal connection to what they must know, understand and be able to do to make sense of the content (Tomlinson, Eidson 2003). Learners need time to reflect on what they learned while being in a classroom, a lecture or a workshop. Processing is a way to help students assess what they did, and did not, understand well. For teachers it is an opportunity to assess their students' knowledge and progress formatively.

Process methods include the following.

- Think-Pair-Share (NCTE 2021)
- Journaling
- Partner talk

Differentiation by product

Product differentiation is probably the most common form of differentiation. It is the evidence of what students know, understand and are able to do (Tomlinson, Eidson, 2003).

- Teachers give choices where students pick from formats.
- Students propose their own designs.

Teachers set the academic criteria and goal, which is shared with the students; however, the product could be changed in alignment of the student level. The following formats could be considered.

- Build a PowerPoint or webpage
- Conduct an experiment
- Create a game
- Creating a model
- Draw a sketch
- Give a speech
- Make a brochure
- Make a photo collage
- Make a poster
- Write a newspaper story
- Write an essay

- Write journal entries
- Write a song or poem (Tomlinson, Eidson 2003).

Differentiation in the learning environment

The classroom setting plays a significant role in the success of the learning process. A differentiated classroom supports shaping this success. Teachers lead students to develop the neighbourhood that suits them mostly in terms of attitudes, beliefs and practices (Tomlinson, Eidson 2003).

Examples of differentiation in the learning environment.

- Flexible grouping
- Access to various materials and resources
- Accepting diversity, exploration and new ideas
- Sharing and reflecting on the different learning experiences
- Honouring the dignity of all learners

Teaching informed by assessment (formative and summative)

Formative assessment

- It is used to aid the learning process.
- It is useful for diagnostics at the beginning of the school year.
- It is an assessment for learning.
- It is the assessments that happen multiple times a day, where student progress and understanding are assessed by teachers in order to reframe and rethink the learning process.
- Teachers monitor both formal and informal formative assessment throughout the unit.

Possible examples of formative assessment in business management include:

- a brief written summary of a lecture or lesson
- student-teacher presentations
- a completed graphic organizer
- a quiz, which can be scored by the student or teacher
- peer to peer marking of essays
- IA drafts and interactions before the final submission
- exit cards
- self-assessment and peer assessment.

Summative assessment

- It is used at the end of the learning process.
- It is evaluative.
- It is typically used to assign students' grade.
- It is an assessment of learning.
- It is the assessment that has received formative feedback along the way from teachers before a summative level of achievement/ grade is given.

Possible examples of summative assessment in business management include:

- end of term or semester final examinations
- end of unit or chapter tests
- IB external examinations

- the final IA draft

Useful visible thinking routines from the Harvard Zero Project

Core routines include:

- What makes you say that?
- Think, puzzle, explore
- Think, pair, share
- Circle of viewpoints
- I used to think, now I think ...
- See, think, wonder
- Connect, extend, challenge (Project Zero 2016)

Approaches to learning

Approaches to learning (ATL) are essential skills that are developed across the IB continuum, with the main purpose of “learning how to learn”.

ATL skills can be learned, taught, improved and developed incrementally and are directly linked to the IB learner profile. The skills are in different categories and provide a solid foundation for students to learn and reach the higher end of achievement in their assessment.

The five ATL categories are expanded into ten clusters of skills.

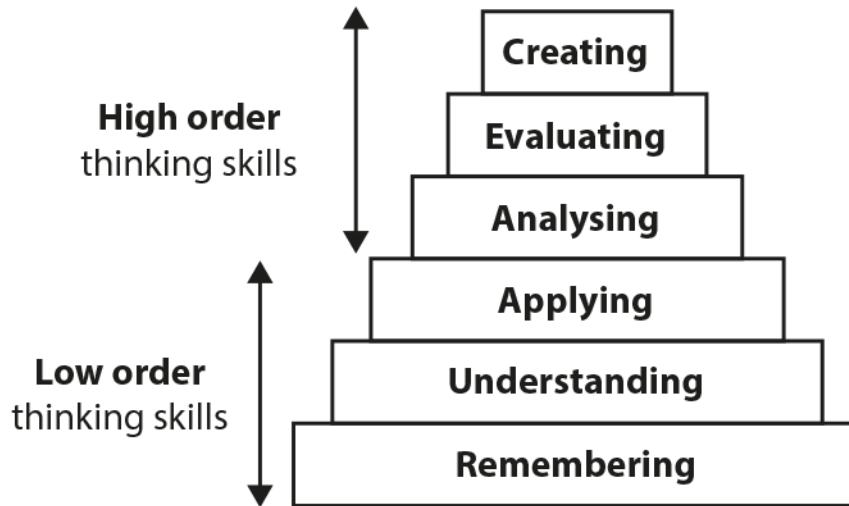
Skills categories	Skills clusters
Communication	<ul style="list-style-type: none"> • Communication
Social	<ul style="list-style-type: none"> • Collaboration
Self-management	<ul style="list-style-type: none"> • Organisation • Affective skills • Reflection
Research	<ul style="list-style-type: none"> • Information literacy • Media literacy
Thinking	<ul style="list-style-type: none"> • Critical thinking • Creativity and innovation • Transfer

Thinking skills

Thinking is classified into higher order skills and lower order skills and this is shown clearly in Bloom’s taxonomy (figure 3). In order to reach the higher order skills, a student should master the lower level skills first. So, thinking can be as simple as remembering, however, as one of its clusters, thinking can reach the transfer level when skills and knowledge are used in multiple contexts. Critical thinking is also one of the thinking clusters which can be demonstrated when critiquing texts, media, ideas and issues for example. Finally, another cluster is creative thinking which can be linked to innovation, inventions and developing original ideas (King 2013).

Figure 3

Bloom's taxonomy



Activities that develop students' thinking skills in business management

1. Using their knowledge of both CAS and business management, students can practice higher order thinking-transfer skills. One example could be studying the feasibility of generating funds for a CAS project using business management financial tools (transfer).
2. Individually, students select newspaper or magazine articles that discuss a certain business problem or issue. Preferably, the issue should be related to one of the four business management key concepts (sustainability, creativity, change, ethics). The students then write a 300 to 500 word essay that aims to provide solutions to the issue at hand. This is good practice for the SL/HL internal assessment (critical thinking).
3. Reflection on the learning experience of a certain topic: working in groups or individually ask students of the topic you want them to consider. Give them time to have group discussions and reflect on their understanding of the topic. Ask the students write a response using each of the following sentences.
 - I used to think
 - But now, I think ... (Harvard visible thinking routines) (critical thinking).
4. Use mind maps to visualize the contents of each unit. The teacher can show the students how to draw the first mind map after which the students can practice this skill on their own. Ask students to make another mind map to make visual connections between the topics and the key concepts in the course. (critical thinking).
5. Games: the students along with the teachers design a creative game to challenge their knowledge of certain topics and ideas (creative thinking).

Communication skills

Communication is about exchanging information, thoughts and messages. Communication means effective interaction via different media and it can be verbal, non-verbal, written or visual. Proper communication is essential for clear well-expressed ideas, thoughts and points of view (King 2013).

Activities that develop students' communication skills in business management

1. In small groups, students select a product. They can be given the choice of promoting it through traditional methods or using social media. Discussions with the whole class can take place later to discuss the 7Ps of the marketing mix applied, and to compare both methods the students used.
2. For a creative advertising activity, students can film themselves. Each student must have a different role in the film to complete the activity. When they share the advertising to their classmates they reflect on the process and the roles they undertook.
3. To show the importance of international-mindedness in the IB, in small groups or individually, students present the main cultural habits in their countries. Each group or student can then introduce their country's main product or food within the context of the seven Ps of the marketing mix. If the class has only one nationality, students can be allocated cities or states for the task.
4. One tool that teachers can integrate is the Y Chart. This depends on how they pursue any of the activities in this skill category or any other category. It is a reflection method which helps make communication of ideas clearer to the audience. The reflection incorporates the following three elements:
 - a. sounds like
 - b. looks like
 - c. feels like.
5. Essential agreement can be used to set the rules and means of communication and to ensure a proper two-way communication exists between all class members and the teacher.
6. Videos can be used, for example, to represent the different styles of leadership evident in organizations. In groups, students can film themselves in different contexts to show the different leadership styles.
7. Students can be divided in groups where each group chooses a well-known organization, studies the leadership style, organizational structure and links it to relevant motivational theories. Work is presented to the class using different methods of communication which may include PowerPoint presentations, posters, brochures etc. (differentiation)

Figure 4
Y Chart graphic organizer

Y Chart graphic organizer

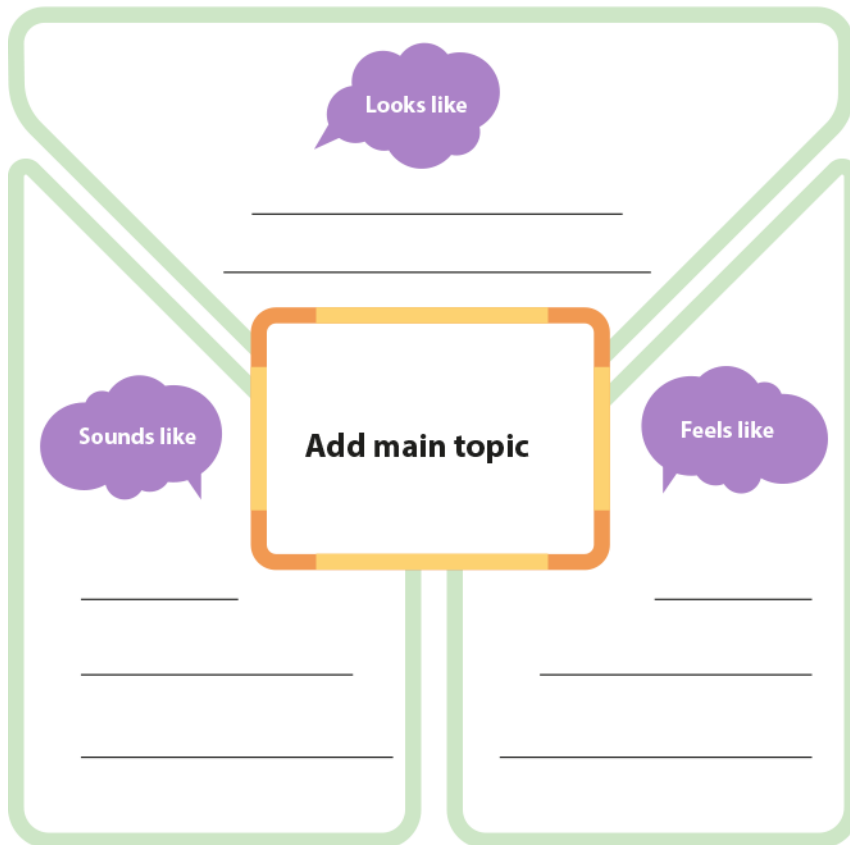
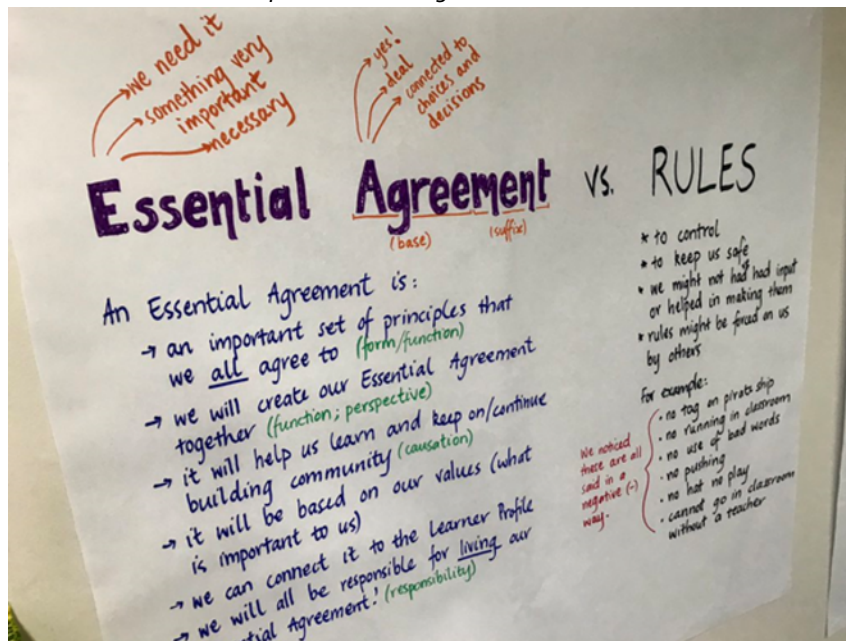


Figure 5

Example of essential agreement versus rules



Social skills

Social skills involve working cooperatively with others. This could include effective teamwork, media networks, delegation and sharing of responsibility. Practicing empathy, making fair decisions, respecting opposing points of view, and supporting others to succeed are also examples of mastering this skill.

Activities that develop students' social skills in business management

1. In pairs, students create a chart comparing the different types of business organizations. Then each pair chooses one type of organization to explain and present to the whole class. The other members of the class then seek to identify the main similarities and differences with their chosen organisations (collaboration).
2. Groups of students are assigned different human resource (HR) motivational theories to study in class; they then summarize the most important aspects of that theory. After this the students share their ideas with one another. Each student then individually draws a chart of all the types of theories including the main ideas of each theory (collaboration)
3. With the integration of technology, students collaborate (in and out of class) to answer extended response questions using past papers. Collaboration can take place between students in different schools or countries (collaboration).

Self-management skills

Self-management mainly revolves around organization, affective and reflection skills. This could vary from a task as simple as time management to meet deadlines to the practice of resilience and the ability to "bounce back" after several attempts to reach the set goals or objectives. The metacognitive skills of re-considering what has been taught and learned by reflection is an essential component of this skill (King 2013).

Activities that develop students' self-management skills in business management

1. Debate opposing points of view on different topics, (affective) examples may include the following.:
 - Are all managers good leaders?
 - Is quality the most important feature for success in the market?
 - Is legal always ethical?
 - Are promotional practices affected by culture?
2. Reflect on the understanding of a topic or unit using the KWHLAQ chart (reflection):
 - K: What do I **know**?
 - W: What do I **want** to know?
 - H: **How** do I find out?
 - L: What have I **learnt**.
 - A: What **action** will I take?
 - Q: What new **questions** do I have?
3. The teacher collaboratively organizes with the students the expected tasks deadlines for the upcoming month in order to agree on all the set dates in the calendar (time management/ organization).
4. Giving students feedback on their assessment in order for them to reflect on their mistakes. Students can be allowed to self-grade based on the feedback before the teacher releases the actual mark awarded on that assessment (reflection).
5. Divide the internal assessment into several tasks using a Gantt chart to help the student in organizing their thoughts and work progression in a timely manner (organization).

Figure 6
KWHLAQ chart

K	W	H	L	A	Q
What do I know?	What do I want to know?	How do I find out?	What have I learned?	What action will I take?	What new questions do I have?

Research skills

The two main clusters of research are: information literacy and media literacy. With the current technological advancements more emphasis is placed on media literacy as this enables students to express themselves and demonstrate their ideas using digital media. Therefore, research revolves around the skills of finding, interpreting, judging and creating information.

Activities that develop students' research skills in business management

1. In small groups, students identify a gap in the school community with the aim of developing a good or service. To do so, they use primary research methods for example interviews, surveys or questionnaires. Based on the results obtained the students then write a proposal to the school leadership community on next steps (information literacy).
2. Using their computers, each student looks up a company to study by looking at both the company's vision and mission statements (media literacy).
 - a. From their studied company examples, each student then shares their findings with the rest of the class.
 - b. Students then make comparisons between the vision and mission statements of their studied company and other student companies and analyse how these statements support the setting of a clear direction for a business.
3. In groups, students define possible inquiry questions to provoke discussions that guide and prepare them for their external examinations (information literacy).
4. Students can be provided with different sources for a topic to research on and they have to evaluate the reliability of those sources (media literacy).

Note: It is important to highlight that the activities noted can serve the development of more than one skill. For example, research of a certain topic focuses mainly on research skills but can also implicitly develop communication skills. It depends on the lesson objectives.

Primary and secondary skills in business management

The following is an example of how we can use a skills-based approach in learning and assessment. The aim of using a skills-based approach in learning and assessment is to support students to develop primary and secondary skills. Students need these skills to reach their learning objectives in the business management course and beyond. The examples can be adapted by teachers for use in their own teaching and learning practice.

A fluid and responsive approach to formative assessment

The examples provided are by no means exhaustive and should not be followed in a prescriptive way. What makes a skills-based approach to learning and assessment so fascinating is the fluidity and responsiveness of the approach and how the course is organized with limitless possibilities in how teachers and students can plan and shape the course in response to learning and teaching needs. Teachers and students are able to exercise their agency—identifying what skills are required at different times of the course, and how to seamlessly build these in as they engage with various concepts, content and contexts. The role of the teacher is to determine the skills that students have developed and those that may require further practise, and then to plan opportunities for formative assessments where students can scaffold these skills and engage in constructive feedback with one another.

Using principles of tasks, observations and conversations in formative assessments, teachers sometimes isolate one or some of these skills in each assessment and design varied tasks for learners with different strengths, interests and progress. This flexible and responsive approach to assessment is one of the reasons why learning, teaching and formative assessment is more like a dialogue between teacher and learner

instead of a rigid manual. This is also why a skills-based approach to assessment can fit well with the emphasis on student and teacher agency central to the IB's education philosophy and the principles of universal design for learning.

What are primary skills?

- Primary skills are usually stated explicitly in the learning objectives of the course and assessment objectives of the IB summative assessments.
- They are subject-specific, assessing the key concepts and content in the subject.
- In summative assessments, the IB tries to minimize biases by designing assessments that address these key constructs only and reduce the secondary skills that are assessed.
- In formative assessment, teachers design a variety of tasks to help them gain insight into student understanding and use these to inform the next steps in learning and teaching. These may include:
 - extended complex tasks that assess a wide range of knowledge, skills and concepts in an integrated manner
 - breaking down the extended tasks into smaller assessments that focus on individual, specific skills and to provide concrete and specific feedback to improve learning
 - multimodal assessments that allow students to express their knowledge in fair and diverse ways, such as in written, verbal, visual, numerical, audio or performance forms
 - using conversations, observations and assessment tasks to focus on learning processes in addition to answers and products
 - anticipating and identifying common misconceptions or challenges in learning concepts, skills and content in the subject, and supporting students to remove these barriers to learning
 - promoting student agency and engaging students in peer- and self-assessments, and sharing and internalizing success criteria
 - connecting evidence of student learning across these assessments over time to track progress in student learning and promote continuous growth.

Examples of primary skills in business management

Examples of primary skills (What inferences can we make about students' understanding?)	Examples of tasks, conversations and observations to assess these skills
<ul style="list-style-type: none"> • Defining and analysing business terms, tools and theories. • Applying business terms, tools and theories in case studies. • Quantitative skills <ul style="list-style-type: none"> Forecasting numbers Understanding data and graphs, including infographics Calculating business-related data, for example, income and expenses • Preparing and constructing statement of accounts. • Explaining benefits and costs, processes or methods in business cases. • Evaluating advantages and disadvantages of one or more aspects of a business. 	<ul style="list-style-type: none"> • Draw concept maps or graphic organizers (for example, using a Frayer model to assess conceptual understanding). • Short response questions on business terms and concepts (true/false, multiple-choice questions, matching exercises, student-designed quizzes, and so on). • Draft an outline. • Short written tasks. • Fill in the blanks in a statement of accounts/evaluate a sample statement of accounts. • Show and tell. • News-cuts. • One-minute business pitch. • Presentations. • Discussions.

Examples of primary skills (What inferences can we make about students' understanding?)	Examples of tasks, conversations and observations to assess these skills
<ul style="list-style-type: none"> • Understanding business concepts (for example, ethics, creativity, sustainability and change) and applying them. • Making business recommendations based on sound rationale or evaluation. • Social entrepreneurship skills <ul style="list-style-type: none"> Evaluate and critically analyse different aspects of a social enterprise business. • Making business recommendations <ul style="list-style-type: none"> Critically evaluate the situation (for example, challenges and opportunities) faced by an enterprise. Identify a challenge. Propose one or multiple solutions to a challenge. Connect recommendations to an evaluation. • Writing and organization <ul style="list-style-type: none"> Presenting business analysis and evaluation in a structured manner in writing. 	<ul style="list-style-type: none"> • Debates or role play exercises on making business decisions or recommendations. • Evaluate a sample business proposal written by a peer and suggest ways to improve it. • Comparative judgement—rank sample business proposals and explain why one is better than the other.

What are secondary skills?

- Secondary skills are implicit skills that are often interdisciplinary and transferable to other subjects.
- They are usually not the key learning objectives and assessment objectives in the subject but are necessary skills for the students to perform effectively in the subject and in authentic assessment tasks.
- Many of these skills, such as research and citation skills, are important for students to succeed in the subject and support their metacognition development as lifelong learners.
- In summative assessments, the IB tries to minimize assessment biases by reducing the secondary skills that are assessed (for example, by reducing the amount of reading materials in examinations).
- Some students may require explicit training on some of these skills while others do not. It may also be helpful to refer students to further resources on these skills for them to engage in self-directed learning. Assessments for formative purposes may help students and teachers to make these decisions.
- The goals of formative assessments on secondary skills are therefore to remove barriers to learning so that **all** students can access the curriculum and summative assessments fairly, and to promote their skills as lifelong learners. This aligns with the principles of universal design in learning.
- In assessments for formative purposes, teachers design a variety of tasks to help them draw inferences on student understanding and to support learning. They are guided by the following principles.
 - Designing assessments that focus on individual, specific skills.
 - Providing concrete and specific feedback to students.
 - Multimodal assessments.
 - Using conversations, observations and tasks.
 - Anticipating and identifying common misconceptions or challenges and supporting students to remove these barriers to learning.
 - Promoting student agency and collaboration.

Tracking progress in learning.

- Effective assessments are those that are domain specific, therefore engaging students in subject specific texts and content (for example, students' reading comprehension skills will improve through engaging with articles and vocabulary about business management).

Examples of secondary skills in business management

Examples of secondary skills (What inferences can we make about students' understanding?)	Examples of tasks, conversations and observations (engaging with business management texts and content)
<p>Reading comprehension</p> <ul style="list-style-type: none"> • Ability to comprehend multiple sources within a limited time (reading and processing speed). • Working memory: recalling different facts while processing the text and the case study. • Understanding vocabulary that they may not be familiar with. • Understanding main ideas from text. 	<ul style="list-style-type: none"> • Observations: how long did it take each student to read the texts? • Draw an outline or timeline of events to summarize texts. • Conversation: questions on comprehension. • Student generated reading questions.
<p>Summarizing and synthesis skills</p> <ul style="list-style-type: none"> • Synthesizing data and main arguments from multiple sources. • Presenting main ideas in a concise manner. • Filtering out irrelevant or less important information. 	<ul style="list-style-type: none"> • One paragraph summary. • One-minute presentation. • Draft an outline (five bullet points).
<p>Writing and organization</p> <ul style="list-style-type: none"> • Writing extended responses. • Supporting arguments with evidence or examples. • Presenting ideas in a structured manner in writing. 	<ul style="list-style-type: none"> • Write a short essay on an assigned topic. • Peer assessment or evaluate a sample student essay and suggest ways to improve it.
<p>Graphing skills</p> <ul style="list-style-type: none"> • Drawing graphs and charts. • Manipulating data in graphs and charts. 	<ul style="list-style-type: none"> • Observations: how long does it take each student to draw a graph or chart using available data? Where do they seem to get stuck? • Drawing a graph or chart using available data. • Manipulate data in a graph using spreadsheets (for example, in Excel).
<p>Mathematical skills</p> <ul style="list-style-type: none"> • Converting text into tables and mathematical calculations. • Understanding numbers and data from a table. • Arithmetic and understanding percentages. • Knowing when and how to use a calculator. 	<ul style="list-style-type: none"> • Draw tables from texts. • Evaluate a sample table or dataset drawn by a peer and suggest ways to improve it. • Linkage to formative assessments in DP mathematics. • Yes-No-Maybe-Why? activity (when to use a calculator).
<p>Citation and referencing skills</p> <ul style="list-style-type: none"> • Differentiating between relevant and irrelevant information in texts. 	<ul style="list-style-type: none"> • Conversations, Yes-No-Why? questions to differentiate between relevant and irrelevant data.

Examples of secondary skills (What inferences can we make about students' understanding?)	Examples of tasks, conversations and observations (engaging with business management texts and content)
<ul style="list-style-type: none"> • Using examples, facts and figures in texts to support arguments. • Implicit use and explicit citation of sources. • Citing sources and data, and synthesizing with own knowledge • Understanding the content of sources and how to add their own perspectives when citing sources. 	<ul style="list-style-type: none"> • Matching exercises (matching arguments with evidence from texts). • Writing sentences to cite from texts. • Highlight texts in colours and categorize information by themes or arguments. • Collaborative wiki project with reference list.
<p>Research skills</p> <ul style="list-style-type: none"> • Search and select relevant information on the internet. • Link evidence to what they have learned during the course (topics and themes). • Generate case studies to support each other's learning (student-led assessments, peer assessment and feedback). • Ability to collaborate with peers and produce individual work. 	<ul style="list-style-type: none"> • Create two folders on SharePoint, one with relevant sources from the internet, another with examples of interesting but irrelevant sources. • Create an annotated bibliography. • Highlight relevant points in sources. • Draw a concept map to link examples to key concepts and themes. • Student led assessments (peer- and self-assessment on case studies).

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Introduction

This section provides a greater understanding of what the business management toolkit is and how it can be integrated and applied in the teaching and learning of the business management syllabus.

Definition

The business management toolkit is a set of tools that provides synthesis and connectivity to the course units. There are tools for both SL and HL, as well as HL only tools. These tools are available in the *Business management guide* in the “Business management toolkit” section. They are to be integrated throughout the course and can be applied in different disciplinary and interdisciplinary contexts.

Classification

These tools can be classified as situational, planning and decision-making tools. It is important to note that these tools may have overlapping applications and therefore, in some cases, one tool could apply in more than one classification.

- **Situational tools:** assist businesses in assessing their internal and/or external aspects. Some examples from the Business management guide include a SWOT analysis and STEEPLE analysis.
- **Planning tools:** assist businesses in project preparation and implementation. Some examples from the Business management guide include a business plan, critical path analysis and Gantt charts.
- **Decision-making tools:** assist businesses to consider various factors before deciding on a particular venture. Some examples from the *Business management guide* include decision trees, the Boston Consulting Group (BCG) matrix and the Ansoff matrix.

Integrating and applying the business management toolkit

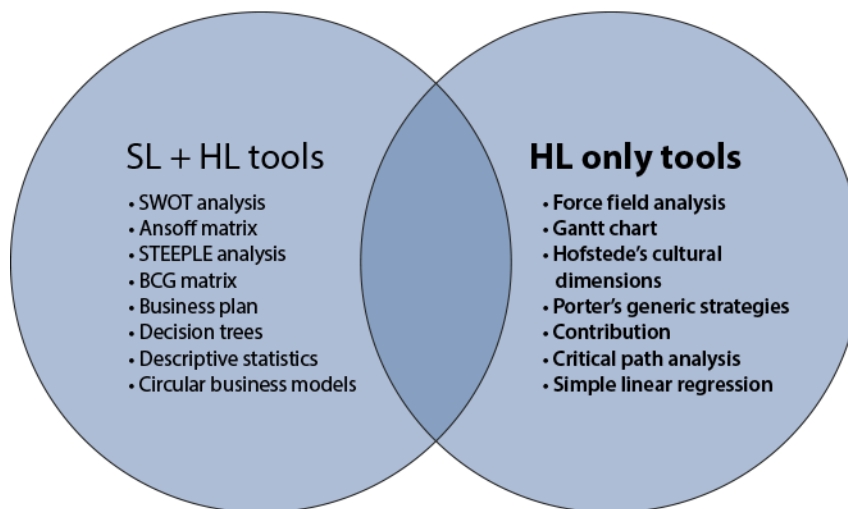
Examples of teaching and learning approaches to assist in integrating and applying the business management toolkit throughout the course include:

- using an inquiry approach where the inquiry statements in each unit are embedded with the business management tools
- integrating the conceptual understanding statements in each unit with the business management tools
- teaching the syllabus content together with the business management tools
- using local, national or global case studies in applying the business management tools to various contexts
- regularly using the business management tools in formative and summative assessment tasks
- class debates on the effectiveness of particular business management tools in given situations.

These examples are not exhaustive, and teachers are free to use other appropriate approaches.

Figure 7

The business management toolkit overview



The business management toolkit (PDF) can be downloaded for use in lessons.

Unit planner examples

These unit planners are provided as examples and should not be taken as definitive but as inspiration.

Unit planner: Introduction to business management—1.1 ([Word](#)), ([PDF](#))

Unit planner: Introduction to business management—1.5 and 1.6 ([Word](#)), ([PDF](#))

Unit planner: Human resource management—2.1 ([Word](#)), ([PDF](#))

Unit planner: Human resource management—2.3 and 2.4 ([Word](#)), ([PDF](#))

Unit planner: Finance and accounts—3.4 ([Word](#)), ([PDF](#))

Unit planner: Finance and accounts—3.7 ([Word](#)), ([PDF](#))

Unit planner: Marketing—4.4 ([Word](#)), ([PDF](#))

Unit planner: Marketing—4.5 ([Word](#)), ([PDF](#))

Unit planner: Operations management—5.2 ([Word](#)), ([PDF](#))

Unit planner: Operations management—5.5 ([Word](#)), ([PDF](#))

Unit planner: Operations management—5.9 AI and big data ([Word](#)), ([PDF](#))

Unit planner: Operations management—5.9 customer loyalty programmes ([Word](#)), ([PDF](#))

Blank template ([Word](#))

Lesson plan examples

Overview

The following lesson plan examples can be used by teachers to explore the course. The examples may be used as provided or adapted accordingly. Note that they are in two different forms, showing the flexibility in approaches.

Sample lesson plans

Change and break-even

Pets' Paradise: Lesson plan	
Conceptual understanding Small changes in the external environment can have a big effect on a company's profitability.	
Concept Change	Syllabus topic 5.5 Break-even analysis
Context <ul style="list-style-type: none"> This lesson works best towards the end of a series of lessons on break-even analysis. It assumes a reasonable understanding of the calculations related to this topic. The aim of the lesson is for students to understand the effect that changing market conditions can have on a business. 	
Resources <ul style="list-style-type: none"> Pets' Paradise worksheet (PDF) 	Time One 60-minute period.

Pets' Paradise: Lesson starter	
Timing	Activity notes
5 mins	Review the following calculations. <ul style="list-style-type: none"> Break-even point Margin of safety Predicted profit from break-even data (if students are going to tackle the extension task)

Pets' Paradise: Main body of lesson	
Timing	Learning activities
45 mins	Pets' Paradise <ol style="list-style-type: none"> Distribute the Pets' Paradise worksheet. Read the first part of the sheet with the class to help students understand the context. Take some time to highlight the firm's selling price, variable costs, fixed costs and capacity. Allow students to work at their own pace through the sheet. Check their answers at the end of each section. Each section should take about 10 minutes to complete. All students

Pets' Paradise: Main body of lesson	
	should complete the main part of the activity in the time allocated with more able students working on the extension task.

Pets' Paradise: Concluding the lesson	
Timing	Activity notes
10 mins	<p>Conceptual understanding</p> <ul style="list-style-type: none"> This lesson has focused on the concept of change and how, in this case, the brothers, planned for the changing market conditions. Inquiry into the concept of change involves understanding and evaluating causes, processes and consequences. <p>Connect, Extend, Challenge</p> <p>Ask students to reflect on the concept of change.</p> <ol style="list-style-type: none"> How do the ideas from this lesson connect to what they already knew about this concept? How do these ideas extend their conceptual thinking? What conceptual challenges do they now have?

Change and business entities

Martin's Mshikakis: Lesson plan	
<p>Conceptual understanding</p> <p>As businesses change, their challenges and opportunities change with them.</p>	
<p>Concept</p> <p>Change</p>	<p>Syllabus topic</p> <p>1.2 Types of business entities</p>
<p>Context</p> <p>This lesson allows students to consider how, as a business grows, the challenges it faces change. It works well as an introduction to this topic, or as a revision activity.</p>	
<p>Resources</p> <ul style="list-style-type: none"> Martin's Mshikakis worksheet (PDF) (one per student) Post-it® notes or index cards Mini whiteboards for the lesson starter Causes, processes and consequences (CPC) sheet (PDF) for concluding the lesson 	<p>Time</p> <p>One 90-minute period</p>

Martin's Mshikakis: Lesson starter	
Timing	Activity notes
10 mins	<p>In groups, students start by writing down the name of a local business. Then, when prompted, the teacher asks them to write what they think they know about the following questions.</p> <ul style="list-style-type: none"> Who owns it? What risks do the owners take? Why is it successful? How could it grow/expand?

Martin's Mshikakis: Main body of lesson	
Timing	Learning activities
70 mins	Martin's Mshikakis <ul style="list-style-type: none"> Distribute one Martin's Mshikakis worksheet to each student. Students work through the questions alone or in groups considering both scenario A and scenario B.

Martin's Mshikakis: Concluding the lesson	
Timing	Activity notes
10 mins	<p>Conceptual understanding</p> <ul style="list-style-type: none"> This lesson has focused on the concept of change and how Martin has dealt with a rapidly expanding and changing business. Inquiry into the concept of change involves understanding and evaluating causes, processes and consequences. <p>Instructions</p> <ol style="list-style-type: none"> Distribute the CPC sheet to each student. Ask the students to consider: What changes happened to Martin's business throughout the story? How did he react and what were the consequences? This can be recorded on the CPC sheet. Possible examples using scenario B would be: <ul style="list-style-type: none"> cause—Martin wanted to use his brother's expertise process—changing ownership to a partnership consequence—unlimited liability could lead to Martin losing his home if the business does not succeed.

Change and decision trees

British Nelson: Lesson plan	
<p>Conceptual understanding</p> <p>Changing and complex business environments can become clear when using a decision tree.</p>	
<p>Concept</p> <p>Change</p>	<p>Syllabus topic</p> <p>Business management toolkit (decision trees)</p>
<p>Context</p> <ul style="list-style-type: none"> Inquiry into the concept of change involves understanding and evaluating causes, processes and consequences. Decision trees focus on the consequences of change. The main activity involves students working in groups to draw a complex decision tree. Groups need large amounts of space to work. Whiteboards, poster paper or such like are essential for this lesson. This task is designed as a mystery. Students have to piece together multiple pieces of information to gain an understanding of the entire problem. Groups are likely to get the wrong answer many times before getting to the final solution. The deliberate complexity of this task will give students confidence for the decision trees questions in IB examinations. 	

British Nelson: Lesson plan	
<ul style="list-style-type: none"> It is suggested that this lesson be closely followed by a lesson looking at decision tree questions from IB past papers. This should give students the confidence to answer these questions as if they were in a formal examination. 	
Resources <ul style="list-style-type: none"> Large paper or whiteboards for groups to work on British Nelson worksheet (PDF) (one per student) British Nelson model decision tree answer (PDF) 	Time One 60-minute period

British Nelson: Lesson starter	
Timing	Activity notes
5 mins	Prior knowledge <ul style="list-style-type: none"> Draw a simple decision tree on the board and ask students to label the key parts and calculate the solution.

British Nelson: Main body of lesson	
Timing	Learning activities
45 mins	British Nelson <ol style="list-style-type: none"> Split the class into teams, (these should be planned in advance to ensure balanced groups of about 3 or 4 students). Read the opening paragraph to the class to ensure the context is understood. Explain that every piece of information needs to be used to complete the task, and that resilience and attention to detail are crucial to success. Write the question "Where should they look for a new oil field?" on the board, this is the reason they are constructing a decision tree. Set groups to work, support as necessary. Keep a copy of the solution close to hand to guide groups if they go off in the wrong direction. As groups finish, there are two options. <ul style="list-style-type: none"> Set them an evaluative task on the benefits and limitations of decision trees. Have them help other groups stay on track. Share the final solution with all groups.

British Nelson: Concluding the lesson	
Timing	Activity notes
10 mins	Conceptual understanding The external environment is inherently unpredictable and subject to constant change. In this exercise there was one clear strategy the business should take (develop the desert site). However, students need to be able to evaluate this recommendation. There are clear links to the central theme of theory of knowledge (TOK) here; how do we know what we know? Ending the lesson with a discussion on change, using a TOK lens, should improve conceptual understanding and the ability to evaluate. A possible strategy is as follows. <ol style="list-style-type: none"> Ask students: What do we know about British Nelson's oil company?

British Nelson: Concluding the lesson	
	2. Then ask: What assumptions were made? (Lead towards the probability of outcomes in the decision tree).
	3. How do these assumptions weaken the reliability of our recommendations?
	4. To what extent is it possible to plan for change?

Creativity and marketing

Flying Fan: Lesson plan	
Conceptual understanding Creativity is an essential part of business success.	
Concept Creativity	Syllabus topic 4.5 The seven Ps of the marketing mix
Context <ul style="list-style-type: none"> This lesson is designed to be used at either the start or the end of a unit on the marketing mix. It works particularly well at the beginning as it allows students' prior knowledge to be assessed—if this is done, then a short amount of time will be needed to give an overview of the marketing mix. 	
Resources <ul style="list-style-type: none"> Flying Fan worksheet (PDF), one per group Poster paper or similar to make presentations for the end of the lesson Stickers for concluding the lesson 	Time One 75-minute period

Flying Fan: Lesson starter	
Timing	Activity notes
10 mins	<p>Conceptual understanding</p> <ol style="list-style-type: none"> Arrange the class in groups of around four students. Write the term "Creativity" on the board. Ask them to discuss their understanding of this concept. Elicit responses that relate to the following description from the <i>Business management guide</i>. "Creativity is the process of generating new ideas and considering existing ideas from new perspectives. Creativity includes the ability to recognize the value of ideas when developing innovative responses to problems; it may be evident in the process as well as outcomes, products or solutions. The creation of ideas and solutions involves a process of synthesizing and evaluating in response to surrounding changes". <ol style="list-style-type: none"> Ensure that the students have poster paper, or similar, to display their ideas to the rest of the class. Read the first paragraph of Flying Fan. Ask each group to draw an image of the product and quickly share it with the rest of the class. Put the drawings on the wall so they can be referred back to if needed.

Flying Fan: Main body of lesson	
Timing	Learning activities

Flying Fan: Main body of lesson	
5 mins	<ul style="list-style-type: none"> Distribute the worksheet to each group, give them time to read it and ask clarifying questions (if this lesson is taking place at the start of a unit, then additional time will be needed to explain the marketing mix quickly).
30 mins	<ul style="list-style-type: none"> Give time for groups to work on their presentations. This works well if they have to make a visual aid. <p>Note: PowerPoints and similar formats are discouraged. Presentations should last no longer than 3 minutes per group.</p>
20 mins	<ul style="list-style-type: none"> Groups present their ideas to the rest of the class. Questions should be encouraged. The focus should be on how well the proposed marketing mix meets the needs of the target market.

Flying Fan: Concluding the lesson	
Timing	Activity notes
10 mins	<p>Conceptual understanding</p> <ul style="list-style-type: none"> Show the explanation of creativity on the board. Give groups time to understand and discuss this quotation from the <i>Business management guide</i>. “Creativity is the process of generating new ideas and considering existing ideas from new perspectives. Creativity includes the ability to recognize the value of ideas when developing innovative responses to problems; it may be evident in the process as well as outcomes, products or solutions. The creation of ideas and solutions involves a process of synthesizing and evaluating in response to surrounding changes”. Lead a discussion where evidence from this lesson relates to this description. Possible ideas include: <ul style="list-style-type: none"> generation of new ideas—the invention of the Flying Fan responses to problems—convincing the bank they have a viable business model response to surrounding changes—preparing for the rival product to be launched.

Creativity and production

Dicey business: Lesson plan	
<p>Conceptual understanding</p> <p>Creative production process can disrupt the market</p>	
<p>Concept</p> <p>Creativity</p>	<p>Syllabus topic</p> <p>Unit 5: Operations management</p>
<p>Context</p> <p>By the end of the lesson students should be able to:</p> <ul style="list-style-type: none"> recognize the different types of production recognize the trade-off between quality and productivity revise the factors of production calculate profit and break-even point. 	
<p>Differentiation</p> <ul style="list-style-type: none"> More able students should be split between the groups to allow them to lead. Mathematically strong students can calculate the break-even point for their group. 	
<p>Resources</p>	<p>Time</p>

Dicey business: Lesson plan	
<ul style="list-style-type: none"> • Student record sheet (PDF) (one per group) • Dice template (PDF) (at least 10 per group) • Paper money or fake paper money • Felt tipped pens • Glue sticks • Scissors 	One 75-minute period

Dicey business: Lesson starter	
Timing	Activity notes
10 mins	<ul style="list-style-type: none"> • Place students in groups. Tell them to completely clear their desks, the only resources they can use in the lesson must be purchased from you. • Explain that the groups are in competition to make the largest possible profit. • The groups have to produce paper dice. You (teacher) will purchase these at the end of the lesson. • Hand out the "Student record sheet," give them 2 minutes to plan.

Dicey business: Main body of lesson	
Timing	Learning activities
30 mins	<p>Production</p> <ul style="list-style-type: none"> • Tell the students that the market for equipment is now open. They will have to buy equipment and paper from you. • Ensure you record what equipment goes to each group. • Give the groups time to get production underway.
20 mins	<p>Sales of dice</p> <ul style="list-style-type: none"> • When the time is up, go to each group and purchase their dice. Decide which ones are high or low quality. • The winning group will have the largest profit. • If you are using the paper money, be sure to take money off the groups for their purchases.

Dicey business: Concluding the lesson	
Timing	Activity notes
10 mins	<p>Discussion</p> <p>Ask each group to discuss their performance. Then, in a whole-class discussion, attempt to elicit the following points.</p> <ul style="list-style-type: none"> • Efficient use of factors of production • Methods of production (job, batch and flow) • Quality control • Productivity • Break-even

Ethics and outsourcing

Gisela Fashions: Lesson plan	
Conceptual understanding Ethical relativism leads to complex decision-making.	
Concept Ethics	Syllabus topic 5.6 Production planning (HL only)
Context <ul style="list-style-type: none"> This lesson is a simulation designed so that students can see the consequences of a decision from various stakeholder perspectives. There are clear links to TOK due to the investigation of multiple perspectives. The class needs to be split into five groups of equal size. During the course of the lesson, each group will receive three cards. Each card is unique. The simulation plays out in three rounds, with each discussion round taking about 15 minutes to complete. 	
Resources Gisela Fashions student cards (PDF)	Time One 55-minute period

Gisela Fashions: Lesson starter	
Timing	Activity notes
5 mins	<ul style="list-style-type: none"> Prior knowledge—split the class into five groups. Ask them to respond to the following prompt: Is it ethical to purchase a product that was made in a sweatshop? Record responses to refer back to at the end of the lesson.

Gisela Fashions: Main body of lesson	
Timing	Learning activities
15 mins	Gisela Fashions: Part 1 <ol style="list-style-type: none"> Read out/project the opening to part 1. Check for understanding. Distribute cards to the appropriate groups. Give them time to discuss. Have each group feedback to the whole class. Record responses on the board.
15 mins	Gisela Fashions: Part 2 <ol style="list-style-type: none"> Read out/project the opening to part 2. Check for understanding. Distribute cards to the appropriate groups. Give them time to discuss. Have each group feedback to the whole class. Record responses on the board.
15 mins	Gisela Fashions: Part 3 <ol style="list-style-type: none"> Read out/project the opening to part 3. Check for understanding. Distribute cards to the appropriate groups. Give them time to discuss. Have each group feedback to the whole class. Record responses on the board.

Gisela Fashions: Concluding the lesson	
Timing	Activity notes
5 mins	Conceptual understanding <ul style="list-style-type: none"> This lesson explored the ideas of ethical relativism, the idea that what is considered unethical to one group, may not be to another. The clearest example of this is salaries in

Gisela Fashions: Concluding the lesson	
	<p>different countries. The figures used in this simulation are more or less accurate for the part of the world they refer to. The average factory workers salary is in fact better than many garment workers in South Asia. The point is not to excuse poor working conditions, but to allow students to consider the world through the eyes of another group.</p> <ul style="list-style-type: none"> • A simple plenary is to use a thinking routine. For example, “I used to think ..., now I think ...”. Ask students to record or share their responses to this prompt at the end of the lesson.

Sustainability and industrial/employee relations

This lesson is based around a trade union game. There are three different versions: **agree**, **disagree**, and **arbitration**. Teachers use the information within the three different worksheets to design a lesson.

Trade union game: Agree

Students are divided into two groups—one group representing employers and the other representing employees. Teachers should ensure that negotiation between the two groups takes place. In this case there is potential for an agreement being reached. [Trade union game—agree worksheet](#) (PDF)

Trade union game: Disagree

Students are divided into two groups—one group representing employers and the other representing employees. Teachers should ensure that negotiation between the two groups takes place. In this case there is potential for a disagreement happening. [Trade union game—disagree worksheet](#) (PDF)

Trade union game: Arbitration

Students are divided into three groups—one group representing employers, one representing employees, and another group as the arbitrators. Teachers should ensure that negotiation between two groups takes place but the arbitrators need to take charge. [Trade union game—arbitration worksheet](#) (PDF)

Inquiry-based lesson plans

Introduction

These lessons should be taught after sufficient content has been introduced from units one to four in the syllabus.

These lessons are to direct learners as to how content can be explored through inquiry.

Duration

Three lessons of 60 minutes

Lesson objectives

By the end of the:

- first lesson—learners will be able to generate a research question and select appropriate secondary sources to aid in answering this question
- second lesson—learners will be able to introduce the business that they are inquiring into and analyse its internal and external business environment
- third lesson—learners will be able to use a range of business tools to answer a question.

Student worksheets

Lessons 1 to 3 ([Word](#), [PDF](#))

Teacher notes

These lessons have been developed to align with the IB's approaches to teaching and approaches to learning. The approaches in these lessons include teaching based on an inquiry approach and teaching informed by assessment. The approaches to learning applied include thinking and research skills. During the lessons, learners should be given an opportunity to construct their own understanding. Learners should ensure that they complete their tasks to the best of their ability.

Lesson 1

Task 1

The teacher should instruct the learners to complete this task within 25 minutes. At the end of this task, the teacher should provide 5 minutes for feedback and ask learners a series of open-ended and closed-ended questions to check their understanding. If possible, the teacher should try and encourage dialogue between the students.

Task 2

The teacher should instruct the learners to complete this task within 25 minutes. At the end of this task, the teacher should follow up with feedback for 5 minutes using the same process as outlined in task 1.

Learners should be encouraged to use an array of sources to assist them in answering their research question. This might mean that at this stage, students need to consider which business management tools they will use to assist in answering their research question.

Lesson 2

Task 1

The teacher should instruct the learners to complete this task within 10 minutes. At the end of this task, the teacher should follow up with feedback for 5 minutes using the same process as outlined in task 1 of lesson 1.

Task 2

The teacher should instruct the learners to complete this task within 40 minutes. At the end of this task the teacher should follow up with feedback for 5 minutes using the same process as outlined in task 1 of lesson 1.

Learners should be informed of the importance of differentiating between internal factors (strengths and weaknesses) and external factors (opportunities and threats).

Learners should cite their sources of data collected.

Lesson 3

Task 1

The teacher should instruct the learners to complete this task within 5 minutes. At the end of this task, the teacher should follow up with feedback for 5 minutes using the same process as outlined in task 1 of lesson 1.

Learners should pay particular attention to how this business management tool assists them in answering their research question. Learners should cite their sources of data collected.

Task 2

The teacher should instruct the learners to complete this task within 15 minutes. At the end of this task, the teacher should follow up with feedback for 5 minutes using the same process as outlined in task 1 of lesson 1.

Learners should pay particular attention to how this business management tool assists them in answering their research question. Learners should cite their sources of data collected.

Task 3

The teacher should instruct the learners to complete this task within 25 minutes. At the end of this task, the teacher should follow up with feedback for 5 minutes using the same process as outlined in task 1 of lesson 1.

Learners should be encouraged to use the reflective skills they have developed elsewhere in the DP, for example, while carrying out their extended essay, participating in creativity, activity, service and during class discussions on TOK.

Lesson plan: Unit 1.4 Stakeholders

Lesson objective

By the end of this lesson, learners will be able to explain the conflicts of interest between stakeholders.

Introduction

This lesson should take place after the content for topic 1.4 (Stakeholders) has been introduced.

Duration

This lesson is planned for 60 minutes.

Student worksheets

Tasks 1 to 3 ([Word](#), [PDF](#))

Teacher notes

This lesson has been developed to align with the IB's approaches to teaching and approaches to learning. The approaches to teaching demonstrated within this lesson include teaching focused on conceptual understanding, teaching developed in local and global contexts and teaching informed by assessment. The approaches to learning within this lesson include thinking, research and communication skills. During the lesson, learners should be given the opportunity to construct their own understanding. Learners should ensure that they complete their tasks to the best of their ability.

Task 1

The teacher should instruct the learners to complete this task within 5 minutes. At the end of this task, the teacher should provide 5 minutes for feedback and ask learners a series of open-ended and closed-ended questions to check their understanding. If possible, the teacher should try and encourage dialogue between the students.

The answers to this task are as follows.

- [1] interest
- [2] internal
- [3] suppliers/trade unions/pressure groups/the wider society/accept any other relevant answer
- [4] purchase
- [5] use
- [6] conflict
- [7] owners
- [8] balanced

Task 2

The teacher should instruct the learners to complete this task within 30 minutes. At the end of this task, the teacher should follow up with feedback for 5 minutes using the same process as outlined in task 1.

The answers to this task can be found below, however, these are not exhaustive. Please accept any other relevant answer.

	Stakeholder: Owner	Stakeholder: Employees	Stakeholder: Hong Kong society
Positive impact of proposed takeover	Potential for increased revenue, potential for increased profit.	Greater job opportunities, more promotion opportunities.	Increased tourism leading to increased tourist expenditure in Hong Kong.
Negative impact of proposed takeover	Risk of decreased revenue, risk of decreased profit, difficulties relating to change, including those around culture.	Increased competition, potential redundancies.	Hotel no longer aligned with Hong Kong's culture, negative environmental impact of increased tourism (such as pollution and litter).

Note: The reduction of stakeholder conflict is not in the *Business management guide*. However, it has been included to provide more context.

Task 3

The teacher should instruct the learners to complete this task within 10 minutes. At the end of this task, the teacher should provide 5 minutes for feedback and ask learners a series of open-ended and closed-ended questions to check their understanding. If possible, the teacher should try and encourage dialogue between the students.

There are many real-world examples where short-termism and the prioritizing of one stakeholder's interests at the expense of another has brought about the decline of a formerly successful business.

The teacher should encourage students to see stakeholder interests as a positive-sum game as opposed to a zero-sum game or negative-sum game. In a positive-sum game different stakeholder interests are negotiated so that everyone's needs are met. In a zero-sum game one stakeholder benefits at the direct expense of another. While in a negative-sum game the only way for one stakeholder to maintain the status quo is to take something from another stakeholder. It is in the context of negative-sum games that the most serious competition amongst stakeholders tends to occur.

Lesson plan: Unit 2.7 Industrial/employee relations (HL only)

Lesson objective

By the end of this lesson, learners will be able to:

- explain the potential sources of conflict in industrial/employee relations
- discuss some of the ethical issues surrounding industrial/employee relations.

Introduction

This lesson should take place after the content for topic 2.7 Industrial/employee relations has been introduced.

Duration

This lesson is planned for 60 minutes.

Student worksheets

Tasks 1 to 3 ([Word](#), [PDF](#))

Teacher notes

This lesson has been developed to align with the IB's approaches to teaching and approaches to learning. The approaches to teaching demonstrated within this lesson include teaching focused on conceptual understanding and teaching informed by assessment. The approaches to learning within this lesson include

thinking skills, research skills and communication skills. During the lesson, learners should be given the opportunity to construct their own understanding. Learners should ensure that they complete their tasks to the best of their ability.

Task 1

The teacher should instruct the learners to complete this task within 5 minutes. At the end of this task, the teacher should provide 5 minutes for feedback and ask learners a series of open-ended and closed-ended questions to check their understanding. If possible, the teacher should try and encourage dialogue between the students.

The answers to this task can be found in the following table.

Keyword	Definition
Collective bargaining	One of the key means that employers and trade unions use to reduce conflict. Has declined in prominence in recent decades.
Conflict	At the heart of industrial/employee relations. Occurs as a result of different interests.
Conflict resolution	An attempt to lessen the conflict at the centre of industrial/employee relations.
Industrial/employee relations	Mainly focuses on the relationship between employers and employees as well as their representatives (trade unions). Focuses on the government too, but to a lesser extent.
Strike	The withdrawal of labour. Often these are organized through trade unions and seen as a last resort.
Trade union	Employees' representatives. Employees pay subscription fees to be members. Primarily negotiate for better terms and conditions of employees, although they may also campaign for better health and safety standards.
Work-to-rule	The success of a business often relies on the goodwill of employees going above and beyond their work contract. This form of conflict resolution slows down production.

Task 2

The teacher should instruct the learners to complete this task within 15 minutes. At the end of this task, the teacher should follow up with feedback for 5 minutes using the same process as outlined in task 1.

During the feedback, the teacher should attempt to draw out from the learners' dialogue how industrial/employee relations can be seen through a series of different lenses.

- Unitarist—focuses on the rights of the owners and managers.
- Pluralist— focuses on the need to balance different actors' interests.
- Critical—focuses on how conflict in industrial/employee relations is unlikely to be adequately resolved.

Task 3

The teacher should instruct the learners to complete this task within 25 minutes. The teacher should encourage students to synthesize their knowledge from elsewhere in the course, including topic "1.4 Stakeholders". At the end of this task, the teacher should follow up with feedback for 5 minutes using the same process as outlined in task 1.

Multilingualism and the four dimensions of teaching

Teaching in a linguistically diverse classroom provides opportunities as well as poses challenges for teachers in engaging learners to develop conceptual understanding while simultaneously supporting language development. As all IB teachers are responsible for academic language development, it is essential that they plan instructional and learning strategies that help learners acquire and develop cognitive academic language proficiency (CALP). The distinction between basic interpersonal communicative skills (BICS) and CALP as informed by many studies has enabled educators to engage their learners in activities that provide a continuum for language development in a subject-specific classroom.

The video “The IB Language and learning cycle” explains the links between language and learning.

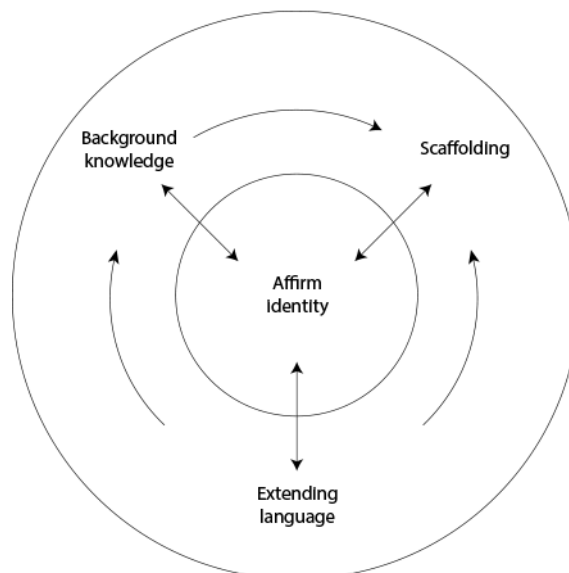
Jim Cummins (Inugai-Dixon 2007) proposes a pedagogy that emphasizes four dimensions of teaching for CALP development and for ensuring learner participation, promoting engagement and successfully constructing understandings.

As illustrated in figure 8, they are:

- activating prior understanding and building background knowledge
- scaffolding learning
- extending language
- affirming identity.

Figure 8

The language and learning cycle of good practice (based on the work of Jim Cummins, 2007)



CALP activities

Figure 9
A framework for planning CALP development

Cognitive Academic Language Proficiency SKILLS ↓	PEDAGOGY →			
	Activating background knowledge	Scaffolding for new learning input	Acquisition of new learning through practice	Demonstrating proficiency
Listening	2, 4	2	1, 2, 4	2
Speaking	1, 4	1	1, 2, 3	5
Interacting	1	1	1, 3	2
Reading		3, 5	2, 4, 5	3
Writing	2	2, 3, 5	4, 5	1, 3, 4
Command terms and thinking skills	Inquiry based approaches, collaborative tasks, conceptually driven and assessment objectives driven			

CALP activity 1

Unit focus	Unit 1: Introduction to business management 1.2 Types of business entities
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Learning goals	To differentiate the main features of the following types of organizations: <ul style="list-style-type: none"> • sole traders • partnerships • privately held companies • publicly held companies.
CALP skills focus	Listening, speaking, interacting and reading
Assessment focus	Application and analysis (AO2)
Activity handouts	Types of organizations worksheet (PDF , Word) Comparing types of organization charts (PDF , Word)

Pedagogy and skills

Activating background knowledge and scaffolding learning

Teachers use a variety of images representing each of the four types of for-profit enterprises, these can be taken from a local, national or global context. Each student reflects individually on the (shared) image before sharing their reflections with the group. Students then offer examples of businesses that fit with their for-profit organization type.

For example, a student given the sole trader image might suggest a hairdresser as a type of business and may further comment that a partnership would also be a possibility for this type of business.

Teachers encourage students to share their examples and also think of specific businesses in their community that represent the four types of organizations.

CALP skill focus

Students are then split into small groups (three to five students); they can use textbooks or search the internet to fill out the worksheet identifying the characteristics and examples of the assigned type of entity. Student groups are then paired to present to one another and then switch until all groups have had an opportunity to discuss with one another.

Demonstrating proficiency

Individually, students complete the Venn diagram to compare and contrast sole traders and partnerships with privately and publicly held companies.

CALP activity 2

Unit focus	Unit 2: Human resource management 2.3 Leadership and management
Learning goals	To evaluate the effectiveness of the following types of leadership styles. <ul style="list-style-type: none"> • autocratic • paternalistic • democratic • laissez-faire • situational
CALP skills focus	Reading, thinking, speaking, interacting and writing
Assessment focus	Application and analysis (AO2)

Pedagogy and skills

Activating background knowledge and scaffolding learning

Teachers remind students that their primary “job” is being students, and in that role they have had a number of “bosses” (teachers) over many years. Students then write down examples of their teachers who exhibited the different leadership styles.

CALP skills focus

Teachers provide students with an article that describes a situation currently facing the workforce (preferably in their local context). As an alternative, teachers can use past case studies that illustrate workforce scenarios. Students are split into groups and assigned one of the five leadership styles, they act out the scenario as both the employees and management.

Extend and acquire new learning

Students could instead use the internet to search for their own articles prior to class. Students could then act out the scenario and determine how the use of more than one leadership style would suit the workplace situation.

Demonstrating proficiency

Students reflect on the usefulness of each of the role plays presented, including the advantages and disadvantages in each situation.

CALP activity 3

Unit focus	Unit 3: Finance and accounts 3.4 Final accounts
Learning goals	To construct final accounts, including: <ul style="list-style-type: none"> • profit and loss • balance sheet
CALP skills focus	Listening, speaking, thinking, interacting and writing
Assessment focus	Knowledge and understanding (AO1) Application and analysis (AO2) Use and application of appropriate skills (AO4)
Activity handouts	Final accounts note sheet (PDF , Word) Final accounts sorting cards (PDF , Word)

Pedagogy and skills

Scaffolding for new learning input

Teachers provide students with definitions of major categories in constructing final accounts, including revenue, expenses, retained profit, assets and liabilities, and equity. Students use the “Final account notes sheet” during the lesson; teachers allow time for students to draw illustrations to represent the definitions and examples provided.

CALP skill focus

Students work in pairs using the “Final accounts sorting cards” to complete the following activities.

- Using teacher-prepared cards with images, students match the image to the categories on the final accounts sorting cards.
- Place each card in a pile based on whether it is on the balance sheet or profit and loss.

Extend learning and demonstrate proficiency

Students are asked to place the sorting cards in the correct order as they would appear in the final accounts. The teacher then checks this with the order in the subject guide.

CALP activity 4

Unit focus	Unit 4: Marketing 4.5 The seven Ps of the marketing mix • Promotion
Learning goals	To distinguish between the following aspects of promotion. • Above the line promotion • Below the line promotion • Through the line promotion.
CALP skills focus	Listening, speaking, interacting, and writing
Assessment focus	Knowledge and understanding (AO1) Application and analysis (AO2)

Pedagogy and skills

Activating background knowledge

Teachers ask students to think about the last time they:

- purchased an item and how they came to be aware of it
- watched a television programme and what products were being advertised or shown in the programme itself
- went to a store and noticed any special offers.

CALP skill focus

Teachers provide students with blank paper and coloured markers to draw a mind map to visually connect the types of promotion. The students should place the main topic in the centre, drawing branches to the three aspects or types of promotion and going further out as needed to include key information related to each.

Demonstrate proficiency

Students are able to answer a case study, devised by the teacher or from a past examination, analysing the appropriate promotional aspects for the situation presented.

Extend and acquire new learning

Students are able to draw a mind map that encompasses all seven Ps of the marketing mix using an online mind mapping application.

CALP activity 5

Unit focus	Unit 5: Operations management 5.2 Operations methods
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Learning goals	To describe the features of the following operations methods. <ul style="list-style-type: none"> • Job production • Batch production • Mass/flow production • Mass customization.
CALP skills focus	Reading, writing and thinking
Assessment focus	Knowledge and understanding (AO1) Application and analysis (AO2)
Activity handouts	Operations methods—guess and check worksheet (PDF)

Pedagogy and skills

Scaffolding for new learning input

Students fill out the top “GUESS” section of the “Operations methods—guess and check worksheet” (PDF) using sentence stems and the word bank.

CALP skill focus

Students read the business management textbook to complete the definition portion of the “CHECK” section of the worksheet and search for examples of products on the internet to match the methods of production.

Demonstrate proficiency

Students work with a partner to find videos showing examples of production methods and share these with the class.

Circular economy in business management

The concept of “business as usual” (BAU) is under threat. Increasingly, it is becoming clear to businesses, governments and the general public that traditional means of creating value and economic growth through the extractive and consumptive use of natural resources cannot continue. Added to this understanding, a number of coalescing factors are driving change in business practices. These include but are not limited to: environmental concerns/pressures, changing consumer behaviour (through increased transparency/awareness), advances in digital technology, and considerable economic losses in the form of underutilization and waste. Together, these are creating a shift in consciousness and an emerging narrative around the nature of business and its role in the world.

Generally, it is a shift away from a harmful and extractive model of doing business to a more mindful and holistic approach, where business is seen as a powerful force for good. It is the difference between businesses seeking to maximize profit (BAU) and those seeking to address the triple bottom line (people, planet and profit) such as B Corporations* and companies adopting circular economy approaches. Other exemplars of this shift are shown in the table 1 below to help reinforce this point and give a clearer sense of the direction in which business is heading.

* “Certified B Corporations are a new kind of business that balances purpose and profit. They are legally required to consider the impact of their decisions on their workers, customers, suppliers, community, and the environment. This is a community of leaders, driving a global movement of people using business as a force for good”. (B Lab 2021)

Table 1
Contrasting business approaches

Traditional business approaches	Contemporary business approaches
Throughput	Systems
Efficiency	Effectiveness
Siloed	Interconnected
Maximizing profit	Triple bottom line (people, planet and profit)
Shareholder value	Stakeholder value (all stakeholders, including society and environment)
Short term	Medium and long term
Extractive	Regenerative
Serves the few (concentration of wealth)	Serves the many (distribution of wealth)
Narrow in scope	Broad in scope
Closed to questions of ethics (not our problem)	Concerned with ethics and being a force for positive change
Guarded/secretive	Open/transparent
Concerned with “what”	Concerned with “how” and “why” as much as the “what”

In addition, table 2 adapted from Ken Webster’s book, *A Wealth of Flows*, contrasts the skills likely needed for today’s world with typical educational approaches. The table shows some interesting parallels between the 20th century and 21st century skills and the traditional business approaches versus contemporary

business approaches from table 1. Importantly, an IB education is actively striving towards the 21st century focus areas.

Table 2

Contrast between 20th century and 21st century skills approach

20th century skills approach	21st century skills approach
Problem solving	Problem appreciation and reframing
Analysis	Synthesis
Reductionism	Whole system emphasis
Closed and immediate cause and effect	Multiple influences through time and space
Individual learning	Team or group learning
Being competitive	Competitive and collaborative
Emphasis on teacher transmitting predetermined knowledge to the student	Learning through inquiry with appropriate mentoring
Rooted in subjects or disciplines	Meta-learning

As an underlying context to the business management curriculum, there is value in adopting a circular economy approach because it links very strongly with each of the key concepts (**change, creativity, ethics and sustainability**) as well as the business management aims that enable students to:

1. develop as confident, creative and compassionate business leaders, entrepreneurs, social entrepreneurs and as change agents
2. foster an informed understanding of ethical and sustainable business practices
3. explore the connections between individuals, businesses and society
4. engage with decision-making as a process and a skill.

Circular business models

One method of integrating the circular economy in the business management curriculum is through the exploration of innovative new business models that allow businesses to address their challenges and unlock new opportunities for growth, while future proofing their operations.

“Circular business models represent fundamentally different ways of producing and consuming goods and services. They have the potential to drive the transition towards a more resource efficient and circular economy and, in doing so, significantly reduce the environmental pressure resulting from economic activity”.

(OECD 2018)

These models form part of the business management toolkit and are to be integrated in the course units. These models could also be discussed further through the suggested inquiry statements to explore, as noted in the guide.

Type of circular business model	Definition	Suggested real-world examples
Circular supply models	Circular supply models reduce demand for virgin resource extraction in the long run by replacing traditional material inputs derived from virgin resources with bio-based, renewable or recovered materials.	<i>Notpla: We make packaging disappear</i> (Ooho: bio-based materials). www.notpla.com . See also <i>This underground farm doesn't use soil Meet the Designers Eliminating Waste Episode 3</i> . https://www.youtube.com/watch?v=WiOhsLFvmJU . <i>Packaging from 'mushroom plastic': Ecovative</i> . https://ellenmacarthurfoundation.org/circular-examples/packaging-from-mushroom-plastic-ecovative .
Resource recovery models	Resource recovery models recycle waste into secondary raw materials, thereby diverting waste from final disposal while also displacing the extraction and processing of virgin natural resources.	<i>Inside Interface's bold new mission to achieve 'Climate Take Back'</i> . www.greenbiz.com/article/inside-interfaces-bold-new-mission-achieve-climate-take-back . <i>Interface Net-Works: turning waste nets into carpets</i> . www.net-works.com/ and https://www.youtube.com/watch?v=DX6UIdpg3VM . <i>What is bio-bean Renewals?</i> https://www.bio-bean.com/news-post/what-is-bio-bean-renewals/ .
Product life extension models	Product life extension models extend the use period of existing products, slow the flow of constituent materials through the economy and reduce the rate of resource extraction and waste generation.	<i>The online platform for scaling reuse: Trove</i> . https://ellenmacarthurfoundation.org/circular-examples/the-online-platform-for-scaling-reuse-trove . <i>A model offering multiple benefits for multiple electronic products</i> . https://ellenmacarthurfoundation.org/circular-examples/a-model-offering-multiple-benefits-for-multiple-electronic-products .
Sharing models	Sharing models facilitate the sharing of under-utilized products and can	<i>Borrow almost anything from people nearby for jobs at home, fun experiences or work</i> . https://fatllama.com/ .

Type of circular business model	Definition	Suggested real-world examples
	therefore reduce demand for new products and their embedded raw materials.	<p><i>Business-to-business asset sharing.</i> https://ellenmacarthurfoundation.org/circular-examples/business-to-business-asset-sharing.</p> <p><i>Access, Share, Innovate.</i> https://www.torontotoollibrary.com/.</p>
Product service system models (or product as a service models)	Where services rather than products are marketed, often with improved incentives for green product design and more efficient product use, thereby promoting a more sparing use of natural resources.	<p><i>CHEP: The circular economy giant you've never heard of is planning a major expansion.</i> www.greenbiz.com/article/circular-economy-giant-youve-never-heard-planning-major-expansion</p> <p><i>Organic jeans for rent: MUD Jeans.</i> https://ellenmacarthurfoundation.org/circular-examples/mud-jeans.</p> <p><i>Riversimple's Purpose: To pursue, systematically: the elimination of the environmental impact of personal transport.</i> https://www.riversimple.com/riversimple-business-model/#circulareconomy.</p> <p><i>Headphones as a service: Gerrard Street.</i> https://ellenmacarthurfoundation.org/circular-examples/gerrard-street.</p>

Resources

This list of freely available resources has been put together to support teachers when teaching business management. The list is not exclusive or exhaustive and teachers should feel free to use other resources.

Teachers can embed these and other resources in their teaching and learning materials to help students unpack and understand circular business models and hence move them from a basic to a deeper understanding of the term. This can be used to further explore the units of the course using a circular economy lens.

Explaining the Circular Economy and How Society Can Re-think Progress | Animated Video Essay. www.youtube.com/watch?v=zCRKvDyyHml.

Humans Changed the Face of the Earth, Now We Rethink Our Future | Ellen MacArthur Foundation. www.youtube.com/watch?v=A5wn_iinbxw.

This zero-waste packaging is made from seaweed | Meet the Designers Eliminating Waste | Episode 1. www.youtube.com/watch?v=PvAd7t33fdo.

This underground farm doesn't use soil | Meet the Designers Eliminating Waste Episode 3. www.youtube.com/watch?v=WiOhsLFvmJU.

You can rent and share these clothes | Meet the Designers Eliminating Waste Ep 2. www.youtube.com/watch?v=oOKpymOgqWw.

What If We Don't Buy Products and We Buy Service? Circular Economy Explained | Animated Video Essay. www.youtube.com/watch?v=Cd_isKtGaf8&t=25s.

Why Companies Are Becoming B Corporations. www.hbr.org/2016/06/why-companies-are-becoming-b-corporations.

Laloux, F. 2014. *Reinventing Organizations: A Guide to Creating Organizations inspired by the Next Stage of Human Consciousness.* Nelson Parker.

Certified B Corporations: Everything You Need to Know. www.cultivatingcapital.com/b-corporation/.

Reuse: rethinking packaging. www.ellenmacarthurfoundation.org/assets/downloads/Reuse.pdf.

The IoT, Performance-Based Business Models and the Circular Economy. medium.com/@mwr1ght/the-iot-performance-based-business-models-and-the-circular-economy-63c8d0488055.

Business Models for the Circular Economy. www.oecd.org/environment/waste/policy-highlights-business-models-for-the-circular-economy.pdf.

Inside Interface's bold new mission to achieve 'Climate Take Back'. www.greenbiz.com/article/inside-interfaces-bold-new-mission-achieve-climate-take-back.

Packaging from 'mushroom plastic': Ecovative. <https://ellenmacarthurfoundation.org/circular-examples/packaging-from-mushroom-plastic-ecovative>.

The circular economy giant you've never heard of is planning a major expansion. www.greenbiz.com/article/circular-economy-giant-youve-never-heard-planning-major-expansion.

What is bio-bean Renewals? <https://www.bio-bean.com/news-post/what-is-bio-bean-renewals/>.

An open access, circular supply chain for t-shirts: Teemill. <https://ellenmacarthurfoundation.org/circular-examples/an-open-access-circular-supply-chain-for-t-shirts-teemill>.

Ooho. www.notpla.com/.

Business-to-business asset sharing. <https://ellenmacarthurfoundation.org/circular-examples/business-to-business-asset-sharing>

A model offering multiple benefits for multiple electronic products. <https://ellenmacarthurfoundation.org/circular-examples/a-model-offering-multiple-benefits-for-multiple-electronic-products>.

Borrow almost anything from people nearby for jobs at home, fun experiences or work. <https://fatllama.com/>.

Access, Share, Innovate. <https://www.torontotoollibrary.com/>.

Organic jeans for rent: MUD Jeans. www.ellenmacarthurfoundation.org/case-studies/pioneering-a-lease-model-for-organic-cotton-jeans.

Riversimple's Purpose: To pursue, systematically: the elimination of the environmental impact of personal transport. <https://www.riversimple.com/riversimple-business-model/#circulareconomy>.

How the B Corp is Redefining Business Success. www.youtube.com/watch?v=s316PgcY8Qc.

Accenture: Circular Advantage—Innovative Business Models and Technologies to Create Value in a World without Limits to Growth. www.accenture.com/t20150523t053139__w__/us-en/_acnmedia/accenture/conversion-assets/dotcom/documents/global/pdf/strategy_6/accenture-circular-advantage-innovative-business-models-technologies-value-growth.pdf.

What a scrapyard in Ghana can teach us about innovation. www.ted.com/talks/dk_osseo_asare_what_a_scrapyard_in_ghana_can_teach_us_about_innovation?language=en.

Headphones as a service: Gerrard Street. <https://ellenmacarthurfoundation.org/circular-examples/gerrard-street>.

Unilever commits to 100% recyclable plastic packaging by 2025. www.unilever.com/news/press-releases/2017/Unilever-commits-to-100-percent-recyclable-plastic.html.

Circular business advantage: what organisations need to know. medium.com/circulatenews/circular-business-advantage-what-organisations-need-to-know-c7ae1954cc46.

Circular economy isn't a magical fix for our environmental woes. www.theguardian.com/sustainable-business/2017/jul/14/circular-economy-not-magical-fix-environmental-woes-global-corporations.

Paper 1: Case study (SL and HL)

Time

1 hour 30 minutes

Weighting

Standard level: 35%; higher level 25%

Structure

- Section A: students answer **all** structured questions in this section based on the case study (20 marks)
- Section B: students answer **one** out of two extended-response questions based on the case study (10 marks)

Content

Questions in this paper can be drawn from the five units of the syllabus.

Note: Section A includes several questions, which can be drawn from any of the five units of the syllabus. Thus, in Section A, students will typically answer structured questions that, in aggregate, cover multiple units. 10-mark questions in Section B will often, though not necessarily, address material from multiple units of the syllabus.

Examination advice

- Students should spend roughly 60% of the allocated time on section A and 40% on section B. Though section A is worth twice as many marks as Section B (20 marks versus 10 marks), the 10-mark question in section B needs more thought and planning than other responses in the examination.
- Students should look at the command terms, which indicate the depth required, in each part.
- Command terms that are likely (but not limited) to appear in paper 1 are shown below.

Command terms

Section A

Command terms for section A could come from any of the A01, A02 or A04 command terms listed in the guide but are most likely to be from the following.

Command term	Definition
Analyse	Break down to bring out the essential elements or structure.
Calculate	Obtain a numerical answer showing the relevant stages in the working.
Comment	Give a judgment based on a given statement or result of a calculation.
Define	Give the precise meaning of a word, phrase, concept or physical quantity.
Describe	Give a detailed account.

Command term	Definition
Distinguish	Make clear the differences between two or more concepts or items.
Draw	Represent by means of a labelled, accurate diagram or graph, using a pencil. A ruler (straight edge) should be used for straight lines. Diagrams should be drawn to scale. Graphs should have points correctly plotted (if appropriate) and joined in a straight line or smooth curve.
Explain	Give a detailed account including reasons or causes.
State	Give a specific name, value or other brief answer without explanation or calculation.

Section B

For the 10-mark question in section B, command terms could come from the A03 command terms listed in the guide but are most likely to be from the following.

Command term	Definition
Compare and contrast	Give an account of similarities and differences between two (or more) items or situations, referring to both (all) of them throughout.
Discuss	Offer a considered and balanced review that includes a range of arguments, factors or hypotheses. Opinions or conclusions should be presented clearly and supported by appropriate evidence.
Evaluate	Make an appraisal by weighing up the strengths and limitations.
Examine	Consider an argument or concept in a way that uncovers the assumptions and interrelationships of the issue.
Justify	Give valid reasons or evidence to support an answer or conclusion.
Recommend	Present an advisable course of action with appropriate supporting evidence/reason in relation to a given situation, problem or issue.
To what extent	Consider the merits or otherwise of an argument or concept. Opinions and conclusions should be presented clearly and supported with appropriate evidence and sound argument.

Note: Commonly used terms for section B are discuss and evaluate.

Overall advice for writing answers: Paper 1

- Students should answer the question asked (and focus on it) and not the question that they would like to have been asked.
- Avoid irrelevance. Students should not repeat old essays or sets of notes—no matter how well they have been memorized.
- Do not repeat the question.
- Draw diagrams and tables with a dark pencil and use a ruler where required. Label diagrams and tables fully, providing titles where appropriate (for example, for a statement of financial position or statement of profit or loss).
- With longer responses, A02 or A03 or questions worth more than two marks, explain or justify every point where required.
- Qualify statements, where appropriate (for example, with “usually”, “probably” or “perhaps”).
- Avoid colloquial or emotive language. Students should write as though they are business analysts.
- Avoid numbered lists or bullet points. Students should answer with proper sentences and paragraphs.

- Read the question again once the answer is written. Sometimes one line needs to be added to present a clear answer to the question asked.

Specific writing advice for section A

- Answer questions fully, but do not write more than the demands of the command term. The command term “state,” for example, requires no explanation or description.
- For questions with an A02 command term, the response must be applied to the stimulus, which is the case study. Responses without appropriate application are typically limited to 50% of the potential marks.

Specific writing advice for section B

Some questions will ask students to evaluate one option or to choose between two options. If asked to evaluate one option, students should provide at least two arguments for the option and two arguments against. If asked to choose between two options, students should provide at least one argument for and one argument against each option.

In addition, students should:

- provide more arguments, where appropriate
- apply the response to the stimulus
- use appropriate business terminology
- provide a conclusion that is more than a simple restatement of points already made, this should also address potential future action or further implications
- use appropriate paragraphing. If more than one point is made in a paragraph, a topic sentence should be the first sentence of the paragraph and should frame the paragraph so that all points within it fit. For example, “Option one has many advantages”.

To meet the highest markband for the 10-mark response in section B, students should show the following.

- Clear focus on addressing the demands of the question.
- Relevant and accurate use of business managements tools and theories.
- Relevant information from the stimulus material is integrated effectively to support the argument.
- Arguments are substantiated and balanced, with acknowledgment of the limitation(s) of the stimulus material.

Teaching advice

Paper 1 is the same for SL and HL students. Three months prior to the examination the IB will release a statement with two elements. The first element will be a small number of topics that provide context to the case study. These topics will **not** be topics that are in the guide but ones that students are asked to research for approximately five hours. Topics in the pre-released statement will build on topics contained in the syllabus. The aim is to assess students’ knowledge around important contemporary business topics that could not have been anticipated when the guide was written.

The second element will be the first 200 words, approximately, of the case study itself. The release of this portion of the case study will provide additional context and will reduce the number of words to be read during the examination period. The aim of the paper is to assess students’ knowledge of the business management syllabus. The examination is based upon one case study, of approximately 800 to 1,000 words, that students do not see before the examination. Most questions will be qualitative, although some minor calculations could be part of the assessment.

Teaching point 1

Students need to learn the introduction to the case study and the related information, provided on the pre-released statement, before the examination. An exemplar paper 1 pre-released statement and case study are provided in the “Specimen assessments” section under “Business management (first assessment 2024)”

on the programme resource centre. The focus of this case study is on a very new approach to agribusiness known as precision agriculture. Students should learn the basics of precision agriculture and the related terminology, which the pre-released statement provides. Students should also learn the context, which in the case study is agribusiness in the Midwest of the United States, where many extremely large commercial farms operate. By knowing this terminology and these contexts before the examination, students will more easily read and absorb the new information from the full case study presented during the actual examination than if they had not studied the pre-released statement and related information earlier.

Teaching point 2

Students should **not** memorize responses to predicted questions provided by their teachers (or other sources) before sitting the examination. When students memorize answers in advance, they often appear to want to reproduce those responses and, thus, do not precisely address the actual examination questions that they are asked.

Teaching point 3

During the course, students need to study several real businesses and current real-world examples as part of the inquiry-based approach to teaching and learning. Teachers must relate all theories to what is happening in the actual business world so that students understand how concepts and models are actually applied. Useful sources of information and data about specific businesses and case study examples are reputable non-academic business publications.

Teaching point 4

Although students should learn how to carry out a full evaluation, they should not adopt a generic approach. Students' evaluations often follow predictable patterns, which on the one hand is a sign that they have been preparing for the examination. For example, when evaluating an option, students should provide both advantages and disadvantages. However, sometimes students memorize lists of theoretical advantages and disadvantages, for example, of small versus large organizations or of a joint venture, without considering how those advantages or disadvantages apply to the case study. For a 10-mark question, even the best of responses, when it is purely theoretical, will typically earn 4 marks or fewer.

Teaching point 5

In the conclusion of the 10-mark responses in section B, the student should display original thinking about the evaluation. For example, when evaluating two options, a student might conclude "The best of the two options for business XYZ depends on their time horizon. Option 1 seems favourable in the short term, option 2 for the long term." Or "Company XYZ should pursue a path that combines the best elements of option 1 and option 2, such as ...".

Paper 2

Time

SL: 1 hour 30 minutes

HL: 1 hour 45 minutes

Weighting

Standard level: 35%; higher level 30%

Structure

- The structures of SL paper 2 and HL paper 2 are similar. The questions on the SL and HL papers may be the same, or different from each other.
- In section A, both SL and HL students answer all structured questions in this section based on the stimulus material. However, SL students answer fewer questions than HL students. Section A is worth 20 marks for SL and 30 marks for HL.
- In section B, both SL and HL students answer one question based on the stimulus material from a choice of two. For both SL and HL, section B is worth 20 marks.
- Students may use a calculator. A scientific calculator is sufficient.

Content

Questions in this paper are drawn from the five units of the syllabus. Section A of the paper has a primarily quantitative focus. For SL students, questions in this paper are drawn from units 1 to 5 excluding the HL extension material and topics studied at HL only. For HL students, questions in this paper are drawn from units 1 to 5 including extension material and topics studied at HL only.

Examination advice

- Look at the command terms, which indicate the depth required, in each question. The marks allocated also indicate the depth required. See the list of command terms below.
- Draw and fully label the tables, charts and graphs. Use a ruler or straight edge, where appropriate.
- References to the stimulus or data must be made where appropriate.

Command terms

Section A

Command terms for section A could come from any of the A01, A02 or A04 command terms listed in the guide but are most likely to be from the following.

Command term	Definition
Analyse	Break down to bring out the essential elements or structure.
Calculate	Obtain a numerical answer showing the relevant stages in the working.

Command term	Definition
Comment	Give a judgment based on a given statement or result of a calculation.
Define	Give the precise meaning of a word, phrase, concept or physical quantity.
Describe	Give a detailed account.
Distinguish	Make clear the differences between two or more concepts or items.
Draw	Represent by means of a labelled, accurate diagram or graph, using a pencil. A ruler (straight edge) should be used for straight lines. Diagrams should be drawn to scale. Graphs should have points correctly plotted (if appropriate) and joined in a straight line or smooth curve.
Explain	Give a detailed account including reasons or causes.
State	Give a specific name, value or other brief answer without explanation or calculation.

Notes

- Commonly used terms are calculate and explain.
- There may be other command terms in addition to the ones listed in the previous table.

Section B

Command terms for section B could come from any of the A01, A02 or A04 terms, especially those commonly used in section A (noted above). In addition, the following A03 command terms may also be used in section B.

Command term	Definition
Compare and contrast	Give an account of similarities and differences between two (or more) items or situations, referring to both (all) of them throughout.
Discuss	Offer a considered and balanced review that includes a range of arguments, factors or hypotheses. Opinions or conclusions should be presented clearly and supported by appropriate evidence.
Evaluate	Make an appraisal by weighing up the strengths and limitations.
Examine	Consider an argument or concept in a way that uncovers the assumptions and interrelationships of the issue.
Justify	Give valid reasons or evidence to support an answer or conclusion.
Recommend	Present an advisable course of action with appropriate supporting evidence/reason in relation to a given situation, problem or issue.
To what extent	Consider the merits or otherwise of an argument or concept. Opinions and conclusions should be presented clearly and supported with appropriate evidence and sound argument.

Note: Commonly used terms are discuss and evaluate.

Overall advice for writing answers: Paper 2

Specific writing advice for section A

- Answer questions fully, but do not write more than the demands of the command term. The command term "state," for example, requires no explanation or description.

- For questions with an A02 command term, the response must be applied to the stimulus material. Responses without appropriate application are typically limited to 50% of the potential marks.
- Whenever answering quantitative questions requiring calculations, make sure to record the workings. Sometimes, showing working is required for full marks (the examination paper will indicate this). In addition, examiners apply the “own figure rule”, which works to the students’ benefit but which can only be applied when workings are shown.
- Attempt all required questions. Examiners follow the principle of positive marking, which means examiners are focusing on what students say that is correct, not what is incorrect. Even if a student is unsure, any attempt might have sufficient evidence of understanding to earn some marks.

Specific writing advice for section B

Some questions will ask students to evaluate one option or to choose between two options. If asked to evaluate one option, students should provide at least two arguments for the option and two arguments against. If asked to evaluate or choose between two options, students should provide at least one argument for and one argument against each option.

The guide contains a business management toolkit. Various tools from it could be used in section B. Note that some of the tools are common for SL and HL students, while others are for HL students only.

In addition, students should:

- provide more arguments, where appropriate
- apply the response to the stimulus
- use appropriate business terminology
- provide a conclusion that is more than a simple restatement of points already made, this should also address potential future action or further implications
- use appropriate paragraphing. If more than one point is made in a paragraph, a topic sentence should be the first sentence of the paragraph and should frame the paragraph so that all points within it fit. For example, “Option one has many advantages”.

To meet the highest markband for the 10-mark extended response question in section B, students should show the following.

- Clear focus on addressing the demands of the question.
- Relevant and accurate use of business managements tools and theories.
- Relevant information from the stimulus material is integrated effectively to support the argument.
- Arguments are substantiated and balanced, with acknowledgment of the limitation(s) of the stimulus material.

Teaching advice

Teaching point 1

In section B, where students have a choice, they should carefully select **one** stimulus question and answer all required questions fully. Students should avoid answering more than the required number of questions, for example, answering two stimulus questions instead of one. This usually results in shallow responses to all questions as time is not well spent.

Teaching point 2

When drawing tables, charts and cashflows students’ responses should be neat and, where appropriate, drawn with a ruler or straight edge. Where neatness is not specifically marked, a lack of neatness often leads to inadvertent errors (for example, dropping digits).

Teaching point 3

Students must manage their time, which is a skill that can be developed. Students should make judgements about time allocation based upon the potential number of marks of a question, the command term, and the space allotted. If a student is struggling with a question, they should learn to leave it and go back to it only after they have completed the remainder of the examination. Students need to be sure to have enough time devoted to the 10-mark extended response question.

Paper 3 (HL only)

Time

1 hour 15 minutes

Weighting

25%

Scope of the paper

This is a new external paper to be assessed for the first time in 2024. The paper is designed to assess important business management skills such as strategic analysis and evaluation within the context of a social enterprise.

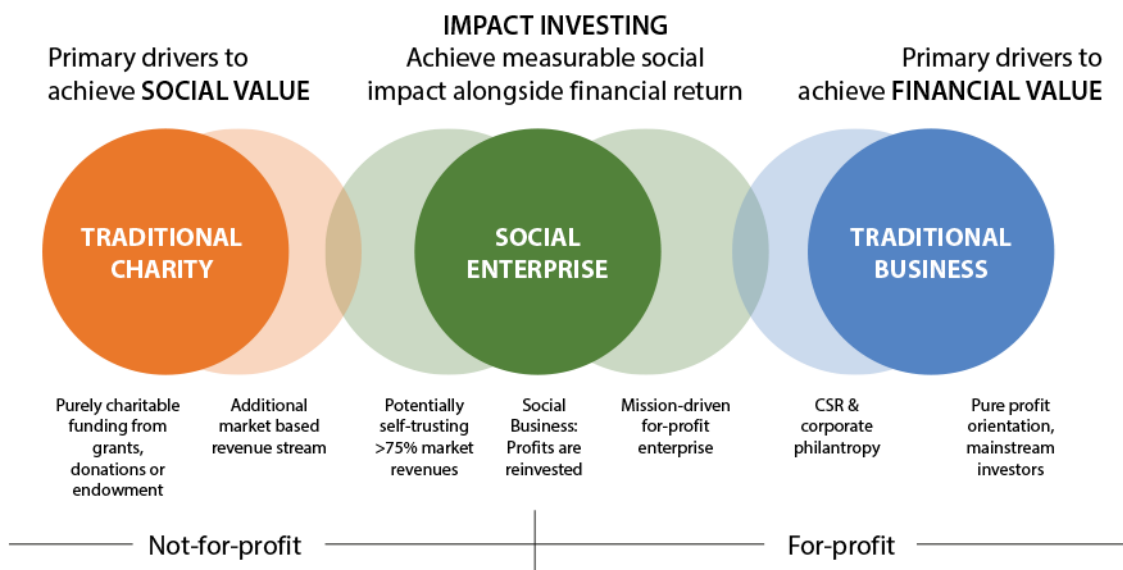
It is a forward-looking examination paper that aims to develop students' ability to problem solve and to act as change agents. It also clearly aligns to the IB mission and the aims of the business management course.

Defining a social enterprise

The idea of a social enterprise is a recent and evolving development in business management and operational thinking. Currently, there are several competing definitions. Figure 10 below provides a visual overview of the differences between a traditional charity, a social enterprise and a traditional business.

Figure 10

Social enterprises: A hybrid spectrum. Source adapted from J. Kingston Venturesome, CAF Venturesome and the European Venture Philanthropy Association (2015).



The following can be said of social enterprises, traditional charities and traditional businesses.

- Social enterprises can be both not-for-profit and for-profit.

- Social enterprises, unlike traditional charities, are funded by trading activities for the majority of their income rather than donations, allowances and government grants.
- Traditional for-profit organizations do “good things through their actions” but this is explicitly linked to corporate social responsibility (CSR). CSR can form part of traditional business operations, but CSR is not their most important impact. Delivering shareholder value or owner profitability is still the main driver. Of course, CSR can be a method to drive operations to raise profitability and a number of traditional businesses have begun to use the triple bottom line to illustrate sustainability goals.
- For social enterprises, their impact on stakeholders drives their mission with any surpluses (profits) being used to sustain this. Achieving a mission or working towards a vision is the critical impact objective of social enterprises.

Note: Business management teachers, students and other stakeholders should investigate what an appropriate differentiation between the three types of organizations is in their own local or national environment, especially with respect to charities and social enterprises. There could, for example, be different tax treatments with respect to profits in their own countries.

Social enterprise: A range of views

To gain a range of views as to the evolving role and nature of a social enterprise, teachers are in the first instance strongly advised to visit the Social Enterprise World Forum (SEWF) and Enactus websites to gain some initial understanding.

The SEWF posits that there are six aspects that characterise a social enterprise. They are listed here for brevity. A full explanation is available on their website (sewfonline.com/about/about-social-enterprise/).

A social enterprise:

- is mission focused
- has its surplus (profit) invested in its mission
- has an ownership model tied to its mission with wide community involvement
- is ethically transparent and accountable to its stakeholders
- has trade generated income (up to 75% of its annual revenue)
- has own assets “locked” (if feasible) so that the social enterprise cannot be purchased by a private equity firm or taken over by another entity.

The Social Enterprise Alliance from the US (SEA) adds some additional dimensions to the definition of a social enterprise. The following are taken from the SEA website (socialenterprise.us/about/social-enterprise/).

Social enterprises span the spectrum of non-profit to for-profit entities. The SEA recognizes three general social enterprise models.

- **Opportunity employment:** organizations that employ people who have significant barriers to mainstream employment.
- **Transformative products or services:** organizations that create social or environmental impact through innovative products and services.
- **Donate back:** organizations that contribute a portion of their profits to non-profits that address basic unmet needs.

The SEA also notes that social enterprise is not a silver bullet, but it is a promising approach to fulfilling unmet needs and fostering genuinely “triple-bottom-line” organizations—those simultaneously seeking profits, social impact, and environmental sustainability. It’s certainly not the only solution.

Examples of social enterprises from New Zealand and Australia

Akina

Akina.org is a social enterprise that advises and guides social entrepreneurs on how they can become more sustainable. They are organized and driven by a strong set of Maori or indigenous cultural values. These

values are very critical in the development of Akina’s business model and drive their mission and consequently impact on a range of stakeholders.

Thankyou

Thankyou is driven by strong impact goals. It produces a range of cosmetic products. Thankyou began its operations with bottled water, the passion of one individual wanting to make a difference. This social enterprise sees itself as an organization that promotes and drives change. Its ownership model is “100% community focused” and run by a charitable trust, which distributes funds to its “change makers”.

Thankyou prides itself on very strong ethical and sustainable credentials and business transparency in all aspects of its operations. Thankyou’s customers, on purchasing a product, are given a unique code that allows them to track the impact of the sale of the product. Customers then have confidence that Thankyou is delivering on its promises to make an impact.

The Cookie Project

The Cookie Project is a social enterprise which seeks to make an impact through Sustainable Development Goals (SDGs)—specifically, number 8 (decent work and economic growth) and number 10 (reduced inequalities). Its aim and mission is to raise awareness on the power and potential of individuals with learning support needs and/or disabilities by treating them as employees first, to give them confidence, life skills and an employment opportunity.

In New Zealand the employment rate for individuals with learning support needs is only 22%, compared to 70% for those who are non-disabled. The Cookie Project wishes to educate employers and employees who are non-disabled to the opportunities of supporting someone who is.

au.whogivesacrap.org

This energetic and quirky toilet paper (the name is bound to get attention) company’s mission is to provide funds to support those individuals who do not have access to a safe “dignified” toilet—in other words a basic human right. It has raised nearly \$6million in providing clean safe toileting facilities and most importantly have a **B Corp certification**. This is an important metric to allow organizations to measure their impact on a range of stakeholders from an independent accredited source, thus enhancing credibility and transparency.

Figure 11

Certified B Corporation—Building a Better Business (bcorporation.net/)



“Certified **B Corporations** are businesses that meet the highest standards of verified social and environmental performance, public transparency, and legal accountability to balance profit and purpose. ... **B Corps** form a community of leaders and drive a global movement of people using business as a force for good.”

(B Lab 2021)

The above social enterprises are merely a selection of a growing number of organizations who see that their mission and vision should be governed by profit and purpose and who also believe in the triple bottom line. The very essence of the preferred impact of a social enterprise

The triple bottom line

The triple bottom line (or otherwise noted as TBL or 3BL) is a framework with three key parts: social, environmental (or ecological) and financial. Some organizations have adopted the triple bottom line framework to evaluate their performance on a broader perspective to create greater organizational value.

In essence, triple bottom line refers to the following three “pillars”.

- People (social)—where an organization practises fair and equitable treatment of its employees and other internal and external stakeholders.
- Planet (environmental)—a firm’s commitment to minimize the environmental impact of its business operations.
- Profit (financial)—which is achievable without comprising any of the previous pillars. Profit is the reward for successful entrepreneurial activity, but any social or environment negative impacts should be included when reporting profitability.

Social enterprises and SDGs

Not all social enterprises will be able to satisfy all 17 SDGs but to provide meaningful impact and credibility in their mission, the SDGs provide a framework to measure progress. Aligning with the SDGs gives the social enterprise a degree of additional credibility if they wish to satisfy the needs of triple-line accounting and other important impact goals.

Structure

Stimulus material based on a fictitious social enterprise will be provided. The stimulus material will consist of a short introduction to an organization, supported by a visual representation of a product or service, and excerpts from various documents (For example, emails, Twitter feeds, newspaper articles, and so on).

After the stimulus there will be three compulsory questions that students should answer. The structure of these questions will be as follows.

- Question 1 is worth 2 marks and assesses the students’ ability to describe the human need in the stimulus material. This should be linked to an appropriate business management theory, such as motivation.
- Question 2 is worth 6 marks and assesses the students’ ability to explain the key challenges facing the social entrepreneur or social enterprise in the setting of the stimulus material. There will typically be two challenges, with each challenge worth 3 marks.
- Question 3 is worth 17 marks and assesses the students’ ability to recommend a future plan of action for the organization.

In this paper, students will act as change agents using a strong ethical and creative lens in trying to solve a significant strategic challenge facing a social enterprise

Content

Questions in this paper can be drawn from the five units of the syllabus.

The paper is strategic in scope so any of the business management tools (for example, Ansoff matrix, Boston Consulting Group (BCG) matrix and Porters' generic strategies) could be used to recommend an appropriate plan of action for the social enterprise in question 3.

Examination advice

Students should look at the command terms, which indicate the depth required, in each question.

Command terms

Question 1 will be based on AO1 command terms listed in the guide. Question 2 will be based on AO2 command terms listed in the guide. For question 3, the command terms will be AO3/AO4; with **recommend** being the key command term (defined in the guide as: present an advisable course of action with appropriate supporting evidence/reason in relation to a given situation, problem, or issue).

Overall advice for writing answers: Paper 3

- Students should answer the question asked (and focus on it) and not the question that they would like to have been asked.
- Avoid irrelevance.
- Students should not repeat the question.
- Draw diagrams and tables with a dark pencil and use a ruler where required. Label diagrams and tables fully, providing titles where appropriate.
- With longer responses, A02 or A03 or questions worth more than two marks, explain or justify every point where required.
- Qualify statements, where appropriate (for example, with "usually", "probably" or "perhaps").
- Avoid colloquial or emotive language. Students should write as though they are business analysts.
- Avoid numbered lists or bullet points. Students should answer with proper sentences and paragraphs.
- Read the question again once the answer is written. Sometimes one line needs to be added to present a clear answer to the question asked.
- Answer questions fully, but do not write more than the demands of the command term. The command term "state", for example, requires no explanation or description.
- For questions with an A02 command term, the response must be applied to the stimulus, which is the case study. Responses without appropriate application are typically limited to 50% of the potential marks.

Specific writing advice for question 3

Given the nature of paper 3 as a strategic and forward-looking paper, and the high mark allocation for question 3 at 17 marks, students should be encouraged to adequately plan for their response.

- The planning will not be marked as part of the final answer. This planning could involve re-reading the whole stimulus material and analysing issues facing the organization and the possible ways forward through the use of a SWOT analysis, for example.
- The question is sufficiently broad to allow for a multitude of responses within a strategic focus. There is no "definitive" plan of action.
- It is expected that for higher marks, students will need to fully familiarize themselves with the topmost descriptors in each of the four assessment criteria (criterion A to D), which includes the use of all the stimulus material effectively in their response.
- There should also be the acknowledgement that further research may be required before a final judgement can be made and the nature of that additional research in the context of the case study.

Teaching advice

Teaching based on an inquiry approach

- Students could choose a social enterprise and inquire or research on how their chosen social enterprise tries to meet or impact on the SDGs.
- Students could volunteer for a social enterprise and inquire more on how it actually operates.

Teaching developed in local and global contexts

- The use of case studies from a local, national or global context to gain a better understanding of different social enterprise missions and their impact.
- Inviting a guest speaker into class from a social enterprise could be worthwhile to learn more about social enterprises, where travel to local social enterprises is not possible. Parental connections through the school community could be tapped into to source potential guest speakers.

Teaching focused on conceptual understanding

The four key concepts in the business management course, can be applied to the teaching of social enterprises.

- Given the nature of social enterprise activity and their impact, class discussions can be held to consider **ethical** issues, **creativity**, and **sustainability** challenges and opportunities faced by social enterprises.
- Students could research on how social enterprises regularly respond to **change** both inside and outside the organization due to changes in the external environment.

Teaching focused on effective teamwork and collaboration

- Students in groups sharing ideas or examples of social enterprises from a range of different cultural backgrounds can increase their knowledge of social enterprises and the different missions and impacts they have.

Introduction

This guidance should be read in conjunction with the Diploma Programme *Business management guide* (first assessment 2024).

The purpose of this teacher support material is to:

- outline the requirements for the standard level (SL) and higher level (HL) internal assessment (IA)
- provide teachers with examples of the kinds of IA work that can be undertaken
- provide teachers with further guidance on how to approach the IA and how to assist students with researching, writing and presenting.

The task

The business management internal assessment (IA) is the same for SL and HL students, and groups should be prepared in a similar fashion. The IA task is for students to produce a business research project of 1,800 words or less on one organization (but may include industry-wide issues that impact upon the organization) based upon three to five supporting documents. In addition, students should integrate one of the four key concepts of the course (change, creativity, ethics or sustainability) into the project.

Preparing the students

Step 1: Determining a timeline

When setting a timeline for the project, teachers need to consider the following two issues.

- Students need to have acquired sufficient knowledge of the contents of the course to make informed choices about what organization to research, and what business theories and tools to use.
- Students need to begin the IA process early enough in the course to have time to complete the project by the school's internal deadline.

For schools that teach the IB diploma course over two years, completion of steps 1 through 5 in this guidance should be completed towards the end of the first year of the course so that when students begin their holidays, they have a clear plan for their IA. Therefore, if students choose to work on the research project over the holidays, they are prepared to do so.

For schools that teach the IB diploma course in one year, completion of steps 1 through 5 in this guidance should be completed no later than halfway through the third month of teaching the business management course.

Step 2: Reading the IA sections of the guide

The teacher should issue and read the IA guidelines and the assessment criteria found in the guide together with the students and answer any questions they may have as an essential step. It is important to highlight key areas where students tend to make mistakes that cost them marks. For example, students sometimes fail to attach supporting documents, include more than five supporting documents or fail to meet the presentation standards.

At some point, students will search for sources online. Many students may only know how to type a topic into a search engine and may not know how to do refined searches. Other students may not know what databases their school's library has access to. Students need to learn these aspects of research and the teacher should teach them how to do refined searches and access databases.

Step 3: Selecting a research topic

As with any research project, an important step is the determination of a good research question and identification of appropriate resources to answer it. The *Business management guide* indicates that students and teachers should work together to formulate an issue or problem for investigation and that the teacher should "guide students in the selection of appropriate supporting documents" (for further information, refer to the *Business management guide* section "Role of teacher's guidance").

Teachers should consider several relevant issues.

- In general, the narrower the research question is, the more likely it is that the student can answer the question thoroughly and in an in-depth fashion. However, the narrower the research question is, the harder it is to find three to five relevant supporting documents. Thus, the formulation of the research

question and finding appropriate supporting documents are an iterative process that may take several attempts.

- Supporting documents can either be primary sources and/or secondary sources. In general, though not mandatory, a project based mostly upon primary research should have a forward-looking research question and projects based mostly on secondary research should have a backward-looking research question. An issue when determining which types of sources to use is criterion B of the assessment criteria. To earn maximum marks under this criterion, a student must have three to five supporting documents that “are relevant, sufficiently in-depth and provide a range of ideas and views” (refer to the *Business management guide* “Criterion B: supporting documents”, in the “Internal assessment criteria” section). As a practical matter, students should have at least four documents and preferably five if they aspire to earn four marks for criterion B.
- The best research questions are the ones where the student does not know the answer before the research process begins or the ones that cannot be answered with minimal research. The IAs of students with simplistic research questions that are easily answered often contain large amounts of material that is of marginal relevance.
- As the teacher and student are formulating a good research question and it becomes clear that the student will be able to proceed with this question and supporting documents, the teacher and student should now consider the business management tools and theories to be used in answering the question. Generally, when students are purposeful in their selection of tools and theories and apply them in depth in answering their research question, the students produce better IAs. An indiscriminate approach, where students use many different tools and theories very superficially, weakens the overall result of an IA.

Step 4: Framing the research project with a key concept

A central part of the assessment focuses on how effectively the student integrates one of the four key concepts of the course into the project, an essential aspect of concept-based teaching and learning in the IB. When students have the “big idea,” seen through the conceptual approach, they often have better retention of the content. The “big ideas” end up providing a framework for storing information.

In the last several decades, advocates of concept-based teaching and learning have stressed that teachers, all with good intentions, tend to jump into the specifics of teaching curriculum content but have not always stepped back to consider certain big ideas like change, creativity, ethics and sustainability. Each of these key concepts can be reduced to content, which is not what the IA asks of the students. Rather, in the IA, students should pick one key concept and reflect on how their project can shed light on the big ideas embedded in that key concept.

Consider an example from the guide. An example of an appropriate research question is “Should company Y change its manufacturing to outsourcing?” The guide then suggests using “**change** as a conceptual lens”. refer to *Business management guide* section “Internal assessment details—SL and HL”>“Examples of appropriate questions”). The answer to the research question would probably be based upon some type of make-or-buy financial analysis, with some appropriate consideration of operations management and human resource management.

A student could then consider, if outsourcing appears to be the better option: what are examples of how outsourcing could cause other changes at company Y? If a make-or-buy analysis revealed that the company should continue to make rather than outsource, the student should then ask the question about changes without outsourcing: what changes does company Y need to make to ensure that continued in-house manufacturing remains viable in the short- and medium-term?

In the example, the research question is answered by using a standard business tool; make-or-buy. The key concept of change is explored as the student considers the implications of change in one central area of the business.

Step 5: Writing an initial proposal

The students should then submit a brief initial proposal for the IA. An initial proposal is not a formal requirement of the business management course. However, asking students write an initial proposal is

helpful because they are, in effect, stating their understanding of what is mentioned in steps 3 and 4. If, at this point, the students' understanding differs from the teacher's, the teacher and student can discuss the proposal to resolve any differences.

Step 6: Refining the list of supporting documents

At this point, students should have a research question; provisionally know what business management tools and theories they are going to use; know the key concept that they will be reflecting on; and have a preliminary idea of what they will use for supporting documents. The next step is to refine the supporting documents. Ideally, students should find more than five documents that could potentially be used as supporting documents, but then cut the list down to five. The other documents can be used as sources for the research project, **though they should not be included with the supporting documents when the IA is submitted.**

How do students select which five supporting documents to use?

- First, students need to eliminate any document that is over three years old and take it out of consideration to be a supporting document.
- Second, they need to determine which documents yield the best information to answer the research question they have selected. Under criterion B of the IA criteria, to earn 3 out of 4 marks, students must select documents that are "relevant and sufficiently in-depth".
- Third, they need to determine which selection of documents will provide "a range of ideas and views". A range of ideas and views is necessary to earn 4 out of 4 marks under criterion B.

Any documents that are not part of the five supporting documents can be used as a source for the project. When this is the case, students should reference these sources, for example, articles or government reports within the research project and include the source in the bibliography. **Any sources of this kind that are not the three to five supporting documents should not be submitted with the research project. Having more than five supporting documents automatically means that the maximum mark awarded under criterion B is 1.**

Step 7: Researching their research projects and writing drafts

The teacher's role is important here. According to the guide, the teacher and students should "engage in dialogue supportive of the students' work" (for further information, refer to the *Business management guide* section "Role of teacher's guidance"). This is important for the following three reasons.

- First, the IA is an assessment **for** learning. The process of doing the IA should be a learning experience and teacher-student engagement increases the likelihood that learning will happen.
- Second, as a practical matter, the IA is also an assessment **of** learning, with potentially serious consequences for the students' future. Teacher-student engagement should lead to higher quality work on the part of the student and a higher moderated mark awarded in the IA.
- Third, an important role of the teacher is to make sure that what a student submits is their own work. Ongoing engagement with the student during the process reduces the likelihood that some academic malpractice will occur.

Step 8: Reviewing each student's first draft

Teachers should always emphasize to their students that the first draft should be as high quality as the student can produce on their own. The better the first draft, the more precise and helpful the teacher's comments on the draft will be.

In commenting on the draft, teachers must bear in mind that the IA is the student's work. In making comments, teachers may provide suggestions while giving feedback but may not rewrite the work for the student.

Ideas for how to integrate the key concepts are an area where teacher support will be especially crucial.

Teachers should then return the drafts to the students with comments—students should then revise their projects, reflecting on the teacher's feedback.

Step 9: Reviewing assessment criteria with a penultimate draft in hand

On a specified day at least two weeks before the IA is due, all students should bring a penultimate draft of their research project to the class along with their copy of the IA requirements and assessment criteria.

The teacher should then go over the requirements again, point by point, and ask students to record where they may need to make changes to the research project.

The teacher should then ask each student to mark their own research project. Teachers should encourage the students to be “strict markers”. Upon completion of the activity, teachers should ask students to ask themselves: in every place where I did not get the highest mark possible, what could I do to earn one more mark on that criterion?

Teachers may develop a checklist and ask the students to complete them, which could highlight omissions or draw attention to key elements that should be considered before submission.

Step 10: Making final revisions based on activity in step 9 and submitting the research project.

Students should then make their final revisions and submit their research projects to their teacher by the school’s internal deadline for the IA.

The teachers then mark the final submitted versions.

New curriculum

When is the first assessment for the new iteration of the course and when is the last assessment for the previous course?

First assessment of the new course will be in May 2024 and the last assessment of the previous course will take place in November 2023.

What is new? How can I understand the changes at a glance?

Old (last assessment 2023)	New (first assessment 2024)
There are six key concepts (change, culture, ethics, globalization, innovation and strategy).	There are four key concepts (change, creativity, ethics, and sustainability).
Key concepts are assessed in paper 2 for both SL and HL.	Key concepts are assessed in the internal assessment (IA) for both SL and HL.
Business management tools are set to specific course units.	A business management toolkit has been introduced where the tools can be integrated across several course units.
Unit introductory statements are not explicit on conceptual understandings.	Each unit begins with conceptual understandings.
Paper 1 is based on a pre-seen case study that is issued in advance.	Paper 1 is based on a pre-released statement issued in advance showing a part of the case study; the rest of the case study is provided in the examination.
Paper 1 is separate for both SL and HL students.	Paper 1 is the same for both SL and HL students.
There is no paper 3.	Paper 3 is introduced for HL only.
Different IA for SL and HL.	The same IA for SL and HL.

How many syllabus units are there?

There are five syllabus units that form the core content for SL and HL. These are as follows.

- Unit 1: Introduction to business management
- Unit 2: Human resource management
- Unit 3: Finance and accounts
- Unit 4: Marketing
- Unit 5: Operations management

Are there key concepts in the new course?

Yes. Four key concepts are part of the new course (change, creativity, ethics and sustainability). These key concepts should transcend the individual topics and bind together the insights of the discipline, providing connectivity to students' learning of business management.

Do I have to cover all the key concepts?

The key concepts weave a thread throughout the course, it is expected that all students develop an understanding of these and can discuss them critically in relation to the content studied.

Will the key concepts be assessed?

Yes, they will be explicitly assessed in the IA.

How are the syllabus units structured?

Each unit begins with conceptual understandings. These are statements summarizing important ideas and core processes that are central to a unit, including the key concepts. They synthesize what students should understand—not just know or do—as a result of studying a particular content area.

Topics are guided by assessment objectives regarding the depth of teaching required.

What about contemporary content?

New aspects such as circular business models and a new topic on management information systems are now part of the syllabus.

What is the difference between SL and HL in terms of the taught curriculum?

In units 2, 3, 4 and 5 there are HL extension topics that must be addressed for HL students only. In addition, there are HL only tools provided as part of the business management toolkit.

What is new regarding the approaches to teaching and approaches to learning in the new course?

Inquiry is an important aspect of this new business management curriculum as a teaching and learning strategy. Teachers need to see the value of this approach in terms of allowing students to develop and demonstrate higher-order thinking such as critical-thinking skills. It is important to note that inquiry should be taking place to ensure students are actively involved in researching business issues. There is a set of suggested inquiry statements to explore in the *Business management guide* for teachers to use, but this is not an exhaustive list and teachers are free to use other inquiry statements.

Inquiry plays an important role in the development of conceptual understanding. Concepts are anchored in the content of business management—its theories and tools—and come alive through the study of real-world examples and case studies. Together these help students to acquire a holistic and integrated understanding of business management as a discipline.

I teach a combined SL/HL class. Will I be able to continue to do this?

Yes. However, how teachers manage time and class allocation is left to the discretion of the school, ensuring that SL and HL students meet their course requirements and contact time.

Assessment

What is the difference between SL and HL in terms of assessment?

There are many common aspects to the SL and HL assessment. The specific areas of difference are as follows.

- In paper 2, HL students respond to questions that may be drawn from the HL extension topics including the HL tools in the business management toolkit.
- Paper 3 is for HL only.

External assessment

How has the external assessment changed?

Paper 1 overview

Paper 1 is now the same for SL and HL students. Three months prior to the examination the IB will release a statement with two elements. The first element will be a small number of topics that provide context to the case study. These topics will **not** be topics that are in the guide, but ones that students are asked to research for approximately five hours. Topics in the pre-released statement will build on topics contained in the syllabus. The aim is to assess students' knowledge around important contemporary business topics that could not have been anticipated when the guide was written.

The second element will be the first 200 words, approximately, of the case study itself. The release of this portion of the case study will provide additional context and will reduce the number of words to be read during the examination period. The aim of the paper is to assess students' knowledge of the business management syllabus. The examination is based upon one case study, of approximately 800 to 1,000 words, that students do not see before the examination. Most questions will be qualitative, although some minor calculations could be part of the assessment.

Paper 2 overview

Paper 2 will be based on stimulus material. SL and HL students will sit different examinations, but these will be similar in intent and form. The aim of the examination is to assess students' knowledge of the business management syllabus. Most questions will be quantitative, though some questions may not have a quantitative element. Students will receive an examination booklet with questions based on the stimulus material seen for the first time during the examination. The stimulus material will be presented in parts. Each part has a question; students will read each part and answer the question before reading the next part and answering the question, and so on. The stimulus material will be a combination of written and diagrammatic stimulus such as charts and infographics. For SL only, one of the stimulus options in section B of the examination may be on a social enterprise. HL students will be assessed on a social enterprise in paper 3.

Paper 3 overview

This is a new component of the course. Paper 3 will be about a social enterprise and requires students to identify and describe a human need and the potential organizational challenges facing the social entrepreneur wanting to meet this need. Further to this, students are required to write a decision-making document that includes a business recommendation. Only HL students will sit this examination. The paper will consist of stimulus followed by questions. The stimulus material will consist of a short introduction to an organization, supported by a visual representation of a product, and five or six excerpts from various documents (such as, emails, Twitter feeds, newspaper articles, and so on).

Internal assessment

What about the IA? How has that changed?

The IA will be the same for both SL and HL. Concepts will be explicitly assessed in the IA, unlike in the previous course. The IA is a research project in which students apply appropriate business management tools and theories to a real organizational issue or problem using a conceptual lens. It is common for both SL and HL. The students will be required to:

- use only one of the four key concepts (change, creativity, ethics or sustainability) as a lens through which to analyse the IA
- select a real business issue or problem for their business research project that relates to any part of the syllabus
- refer directly to a single business organization but may consider industry-wide issues that impact on that organization
- provide a research question for the business research project that could either be forward looking or backward looking
- base their research on primary and/or secondary research, selected for its suitability, depth and breadth
- attach to the business research project three to five supporting documents from which the majority of the information for the project has been obtained
- produce a business research project that does not exceed 1,800 words
- fully reference all supporting documents and additional sources and include them in a bibliography.

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Further reading

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What are they and how are they used?

A mind map is a diagrammatic representation of topics, themes or concepts in a visual format. It is created around a central topic to which associated representations of subtopics, ideas or tools are added or linked. Mind maps have been known to help students to:

- better organize their ideas and understand them faster
- enhance their learning and thinking skills
- increase retention and memory
- improve achievement levels
- become motivated to learn as it can be fun and interesting.

Mind maps

- [Business management: Standard level mind map—Overview \(PDF\)](#)
- [Business management: Higher level mind map—Overview \(PDF\)](#)
- [Unit 1: Introduction to Business management mind map—Overview \(PDF\)](#)
- [Unit 1: Introduction to Business management mind map—Detailed \(PDF\)](#)
- [Unit 2: Human resource management mind map—Overview \(PDF\)](#)
- [Unit 2: Human resource management mind map—Detailed \(PDF\)](#)
- [Unit 3: Finance and accounts mind map—Overview \(PDF\)](#)
- [Unit 3: Finance and accounts mind map—Detailed \(PDF\)](#)
- [Unit 4: Marketing mind map—Overview \(PDF\)](#)
- [Unit 4: Marketing mind map—Detailed \(PDF\)](#)
- [Unit 5: Operations management mind map—Overview \(PDF\)](#)
- [Unit 5: Operations management mind map—Detailed \(PDF\)](#)

Glossary of subject-specific terms

This is not an exhaustive list of terms that may be assessed. Any technical term within the guide can be assessed.

Glossary term	Glossary definition
360-degree feedback	360-degree feedback is a process whereby an employee receives feedback from all of the people with whom the employee comes into contact (peers, customers, supervisor, and so on.). Because 360-degree feedback is so comprehensive (and expensive), it is typically done most often with senior members of an organization.
Above-the-line promotion	This refers to the various forms of promotion, such as television and radio advertising, print advertising in newspapers and magazines, and so on, that are aimed at mass or large audiences. Above-the-line promotion is generally not targeted.
Acquisition	See "Merger and acquisition".
Arbitration	Refer to "Conciliation and arbitration".
Artificial intelligence	Artificial intelligence is a broad term for the ability of computers or computerized robots to do things normally associated with intelligent beings, for example, tasks such as understanding speech, operating autonomous vehicles and determining optimal delivery routes.
Autocratic leadership	A type of leadership where the leader concentrates all, or virtually all, decision-making in his or her own hands; usually, autocratic leaders neither seek input from subordinates or value input that they might try to provide.
Bankruptcy	A legal process that insolvent or near-insolvent companies enter into when they can no longer pay their debts. While laws governing bankruptcy vary from country to country, when a company enters bankruptcy, a court will oversee the process of the company restructuring and repayment of its debts or, in extreme cases, overseeing the liquidation of the company's assets and the disbursement of the funds therefrom.
Batch production	This is a method used to produce similar items in groups. Each group (batch) goes through a stage of production together before the whole batch moves onto the next stage together. This continues until the batch is completed.
Below-the-line promotion	Below-the-line promotion refers to the various types of promotion that are focused on specific segments or groups and do not rely on mass promotion techniques, such as radio and television. Some below-the-line promotional techniques include fliers, banners, SMS, emails, pamphlets, sponsorships and in-store promotions.
Benchmarking	Benchmarking is the practice of comparing a company's performance and processes to the performance and processes of recognized industry leaders.
Big data	The term "big data" is used to describe extremely large data sets, whether structured or unstructured. Increasingly, as more computer devices are interconnected and more data are collected using devices such as sensors,

Glossary term	Glossary definition
	organizations and businesses have large data sets, which are then analysed (see “Data analytics”) and used for predictive purposes (see “Data mining”).
Brand awareness	This refers to the degree to which consumers recognize a product by its name and special characteristics.
Brand development	This is the process of building brand awareness. Companies must plan, build and maintain their brand through careful nurturing of the company’s core values and of customers’ perceptions of the company and the brand.
Brand loyalty	Brand loyalty exists when customers continue to buy a particular brand even when alternative products or companies exist. For a company, a high degree of brand loyalty means customers will continue to buy their products or services.
Brand value	This is an estimation of how much a brand is worth. When a company develops their own brand, the brand value never appears on the company’s balance sheet. When a company purchases a brand, the value of the acquired brand is the purchase price minus the net book value (assets minus liabilities) of the acquired brand, and the brand value is recorded on the balance sheet as a form of goodwill.
Bureaucracy	Though most commonly used to refer to non-elected government officials, the term “bureaucracy” is also used when referring to any organization, including large businesses, that have multiple layers of authority and complex approval processes. Decision-making in bureaucracies is generally slower than in small organizations.
Capacity utilization	This is the percentage measure of the extent to which a business is using its productive capacity.
Capital expenditure	This refers to the expenditure for assets the useful life of which is more than one year (for example, property, plant and equipment).
Centralization	Centralization occurs when an organization concentrates authority for decision-making in the personnel at the main, or central, office of the business. Individuals not in the central office largely focus on implementing the decisions made in the central office.
Chain of command	The official hierarchy in an organization. The chain of command specifies who reports to whom, and who has direct authority over specific employees.
Collective bargaining	The process whereby the employees of an organization will work together when bargaining with management about wages and work conditions. Collective bargaining can occur in non-union organizations, though typically it occurs in organizations where the employees are members of a union or unions, and representatives of the union(s) assist with the collective bargaining.
Commission	A type of payment to an employee who is responsible for completing a sale or performing a service. Commissions are typically a percentage of the monetary value of the transaction. For example, real estate agents (estate agents) typically receive a commission based upon the sales value of a house they sell.
Competitive pricing	When a company bases the price for its goods or services upon what its competitors are charging for similar goods and services.
Conciliation and arbitration	Conciliation and arbitration can occur in the collective-bargaining process. Conciliation is the agreement to rely on a third party—someone with expertise in dispute resolution.

Glossary term	Glossary definition
	Arbitration occurs when management and labour present their arguments and evidence to the third-party arbitrator, who then makes decisions, which are typically binding for some agreed-upon amount of time.
Contribution pricing	This is where the price charged for a good is based upon the variable costs of manufacturing it, plus some mark-up. The difference between the price charged and the variable costs per unit is a contribution to fixed costs.
Cooperatives	Businesses owned and operated by their members, who share the profits. Cooperatives are commonplace in agriculture but also exist in other industries.
Copyright	A form of intellectual property giving the author or creator the exclusive right to reproduce the work for a period time.
Corporate social responsibility (CSR)	The view that businesses should govern themselves and act in a way that enhances society and businesses' stakeholders. Advocates of CSR believe that businesses should be held accountable for any of their actions that affect individuals, communities or the environment.
Cost centre	A department or unit of a company that has costs but does not contribute to the profits of the business because a cost centre does not generate revenue.
Cost-plus (mark-up) pricing	This is a method of pricing a product or service whereby all total direct costs and some allocation of indirect costs are added together, along with some mark-up—either a fixed or percentage amount—to determine the sales price to the customers.
Cradle-to-cradle design	A method for designing products that looks to natural processes and that attempts to use material in products that, when no longer needed, become the basis for future materials. In other words, rather than design products or buildings with materials that eventually will become non-decomposable or toxic waste, adherents of cradle-to-cradle design want to be able to reuse raw materials indefinitely.
Current assets	Cash and other assets that a business plans to convert into cash in less than one year (debtors and stock/inventory).
Current liabilities	Debts and other payables that are due within one year.
Customer loyalty programmes	Marketing strategies that reward customers, often with points or discounts, for repeat purchases from a store or of a brand. Such programmes encourage these customers to be repeat customers.
Cybercrime	An intentional malicious attack on one or more organization's networks, computers or other related electronic systems and devices.
Cybersecurity	The process of defending networks, computers or other related electronic systems and devices from any type of malicious attack (cyberattack).
Data analytics	Data analytics involves working with either primary or secondary data and encompasses statistics, visualization and data mining to answer business questions. Increasingly, data are captured electronically, and computer systems are used to analyse the data.
Data mining	Data mining is mostly about predictive analytics. It is the process of finding broad trends, patterns and correlations within large data sets, and using those findings to predict future situations.
Database	A systematic constructed set of electronic data files that are organized in such a fashion that they can be easily opened, administered and updated. In a business setting, databases are typically about customers or transactions.

Glossary term	Glossary definition
Decentralization	Decentralization occurs when an organization delegates authority for some decision-making to offices that are not the main or central offices. Authority for making decisions, other than the highest-level strategic decisions, are made by managers in regional or outlying offices, as the managers in these offices have a better sense of local conditions.
Defect rate	The percentage measure of the number or volume of product that fails to meet specified quality guidelines.
Delaying	Delaying occurs when a business removes levels of hierarchy in an organization.
Delegation	The process of assigning authority or responsibility over specific tasks from one person in an organization to someone lower down the organizational chart. When delegation occurs, the senior person remains accountable for the successful completion of the tasks over which authority was delegated.
Democratic leadership	A style of leadership whereby the leader actively solicits input from members of the organization and encourages their participation in decision-making.
Depreciation	Depreciation has two meanings. The first meaning is used in a general sense: the loss of the value of a long-term asset over time. The second meaning is more precise. It refers to the exact allocation in the financial statements of the cost of a long-term asset over the life of the asset.
Direct cost	A cost that is precisely traceable to a specific cost object, which may be a product, a service or a department. Examples of direct costs include direct labour, direct material, commissions, and so on.
Diseconomy of scale	The increase in per-unit production cost as a business grows.
Disruptive innovation	The least common form of innovation. This occurs when someone or some organization creates something so wholly new that it fundamentally disrupts the marketplace by creating a new market and disrupting an existing market.
Distribution channel	The network used to move a product from manufacturer to the end users. Companies may have multiple distribution channels, depending on the type of product and the needs of the customers.
Dynamic pricing	The practice of changing the price of a good or service according to the demand. Dynamic pricing is sometimes called "surge pricing" (as prices go up when and where a surge in demand occurs) or "time-based pricing" (as prices change according to the time of day or year).
Economy of scale	The reduction in per-unit production cost as a business grows.
Employees share-ownership schemes	Various types of programmes that award employees shares in the company or allow them to purchase shares in the company at a below-market price. The aim of these schemes is to enhance employee compensation and/or to make employees more loyal and more committed to the company, as they have some ownership in the company.
Empowerment	Empowerment is a management strategy. It is a long-term process whereby employees are developed and given the tools and resources to make decisions.
External growth	External growth occurs when a business expands by relying on external resources, typically by acquiring or forming some kind of relationship with another organization.

Glossary term	Glossary definition
Fixed costs	Those costs that, during the relevant period, do not vary with output or activity.
Formative appraisal	The continuous appraisal of employees so that they can improve their performance. Formative appraisal is on-going, not just once a year or within some other periodic fixed time period.
Franchising	A type of business organization whereby a business (the franchisor) develops the product or service and develops its brand, and then sells the right to use the brand and its related product or service to other businesses (franchisees). To operate as a franchise, the franchisee typically pays, in addition to an original fee, some percentage of revenue and agrees to comply with operating and quality specifications set by the franchisor.
Fringe payments	Any kind of compensation that an employee receives other than their salary. Fringe payments might be the use of a company car, life insurance coverage or, in countries without a national health insurance, health insurance coverage.
Incremental innovation	Incremental innovation occurs when small and continuous improvements are made to the existing products, services or processes in a business.
Indirect cost/overhead	Costs that are used in multiple areas or activities of the business and, therefore, are not traceable to a specific cost object.
Induction	The process of welcoming new employees into a company and providing company-specific rules, regulations and training to increase the likelihood that they can successfully perform their job according to the expectations of the company.
Industrial democracy	In a broad sense, industrial democracy refers to the process of allowing workers to have a say in the decision-making of a company. In a narrower sense, industrial democracy is co-determination, whereby several workers will actually sit on the board of directors of the company and assist in making highest-level organizational decisions.
Innovation	Innovation occurs when someone or some organization creates something new with value.
Insolvency	Insolvency has two meanings. In a general sense, insolvency is when a company lacks the ability to pay its bills and debts owing to insufficient cash. The second meaning is more precise and occurs when a company's liabilities are greater than the value of its assets. That is, the company has a negative net worth. With either meaning, the implication is the same: the company cannot pay its debts.
Insourcing	This occurs when a company decides to have its own personnel perform tasks or operations previously performed by an external organization.
Intellectual property	Intellectual property is a widely used term to cover all types of intangible interests in work or inventions to which a company has proprietary right. The most common types of intellectual property are patents, copyrights and trademarks.
Internal growth	This occurs when a business gets larger by using its own resources, that is, it reinvests its profits in new products, new sales channels or more stores, and so on, in order to increase sales.
Internet of things (IoT)	This refers to the systems of computerized devices transmitting data to one another without human involvement.

Glossary term	Glossary definition
Job enlargement	Job enlargement is a technique of job design whereby many tasks associated with a job are officially added to the job description. Unlike job enrichment, the additional tasks are horizontal in terms of skill and difficulty level.
Job enrichment	Job enrichment is a motivational technique that occurs when a job is given additional tasks that are challenging and are usually done by managers. These extra tasks make the work more interesting, lead to professional growth, and can eventually lead to higher pay or promotion.
Job production	When each product is produced individually, usually to unique specifications, and the production process begins when the previous job is completed.
Job rotation	When employees are regularly rotated into different positions in an organization, which allows the employees to gain experience and acquire new skills. Job rotation also gives employees a broader perspective about how the various positions fit into the whole organization.
Joint venture	When two business create, own and operate a third organization.
Just-in-time	This is traditionally a term used to describe an inventory management strategy that minimizes the amount of stock (inventory) that a company holds at any time. Raw materials are ordered and delivered immediately before their use. Today, the term is sometimes applied to manufacturing (just-in-time manufacturing), which is very similar to lean production. All stages of the manufacturing and sales process are done just-in-time, from arrival of raw materials and other inputs for manufacturing to shipment of finished goods.
Kaizen	A Japanese term that means "continuous improvement". Kaizen is a philosophy, an approach where employees are encouraged always to seek better ways to improve processes and to implement those changes, even when they appear to be only minor adjustments. Collectively, continuous small improvements can have a significant impact.
Laissez-faire leadership	A style of leadership whereby the leader "lets go" of decision-making and allows members of the group or team to make decisions.
Lean production	A systematic approach to production that attempts to reduce waste at all stages of the production process. Reducing waste includes all elements of waste, such as materials, space, human effort, and so on. Lean production is the attempt to produce high-quality products that the customers want while using as few resources of any kind in doing so.
Levels of hierarchy	The number of layers of authority available within an organization.
Liquidity	The ability to convert an asset into cash without loss of value. Therefore, cash is a company's most liquid asset, typically followed by debtors (accounts receivable) and stock (inventory). When an assertion is made such as "The company has a weak liquidity position," the speaker is implying that, though the company has assets with value, it does not have much cash or many assets easily convertible into cash.
Lockouts	Lockouts are, in certain respects, the opposite of a strike. Lockouts occur when, as part of the negotiating process with labour, management locks up the company or factories so that the workers cannot enter the premises. With lockouts, even employees who wish to do their jobs or are happy enough with wages and working conditions cannot perform their jobs.
Loss leader	A product that is sold at a loss to attract customers into the store. For example, a company selling scores of products may advertise one popular item at a very

Glossary term	Glossary definition
	low price (loss leader) with the hope that customers, while at the store, will purchase other products, which are priced to make a profit.
Margin of safety	This is the difference between the current or forecasted level of sales and, respectively, the current or forecasted break-even level of sales.
Market growth	The increase in the number of consumers who buy a product or service. It also refers to the increase in the number of products sold.
Market orientation	Market orientation is an approach by companies that seeks to determine what customers need and want, and then make, design and deliver products or services based upon the customers' needs and wants.
Market share	Market share refers to the percentage of a given market controlled by a particular company or product. Market share can be calculated based upon either total sales value or, with high cost items, like automobiles, by volume (in terms of total units).
Mass customization	Because of computer-assisted design and advanced robotics, certain items manufactured today can have features of both mass manufacturing and individualization. For example, aluminum water bottles can be manufactured uniformly in terms of size, shape, volume (mass production), but then have different painting and finishing according to customer needs (individualized customization). Mass customization is, therefore, a combination of mass production and individualized customization.
Mass market	A market for goods that are produced in very large quantities. Because of economies of scale, products sold in mass markets are less expensive than goods produced for niche or highly specialized markets.
Mass/flow production	Mass/flow production is the production of large amounts of standardized products in an assembly line. Mass/flow production is a continuous process whereby a product moves on an assembly line from stage to stage. At each stage, a worker or robot will perform some operation on the semi-completed product, which will then flow to the next stage. Products are continuously being started and completed.
Matrix structure	When individuals in an organization report to more than one person in the fulfillment of the job duties. Matrix structures often exist in work environments where projects and project completion require the "signing off" by managers in different areas of the organization, each manager with a different type of expertise (marketing, operations, human resources, and so on).
Merger and acquisition	A merger occurs when two companies legally consolidate into one company; an acquisition occurs when one company purchases the shares of another company. Thus, a legal distinction exists between a merger and an acquisition, though, in practice, the two have very similar aims: the combination of the resources of the two companies.
Niche market	A small part of a larger market. In niche markets, customers have very specialized needs or wants that are different from the larger market. Often, products sold in niche markets are more expensive than in mass markets, precisely because products for niche markets are not suitable for mass production and sale.
Non-governmental organizations (NGOs)	These are organizations independent of government. They are non-profit and often have a humanitarian or social purpose. Though technically independent, NGOs often receive government funding and cooperate with government.

Glossary term	Glossary definition
No-strike agreement	A provision in the collective bargaining agreement whereby the workers agree that they will not take strike or other industrial action against the company for a specified period of time, typically the life of the collective bargaining agreement.
Offshoring	Offshoring occurs when a business moves some, or virtually all, of its business operations to another country.
Off-the-job training	The process of training employees offsite, and the training is provided by an outside party. Off-the-job training could include seminars, short courses, university classes or experiential types of learning where employees are replicating tasks that they will eventually do as part of their job.
On-the-job training	The process of training employees during their normal working hours and onsite. On the-job training can include close supervision and mentorship as an employee performs tasks of their jobs and formal classroom-style instruction.
Organizational chart	A visual presentation (in the form of a chart) that shows the reporting relationships within an organization. At the top of the organizational chart will be the chief executive officer (CEO). Beneath the CEO are the people who directly report to him or her, and beneath that layer, the chart shows who reports to whom, all the way down to the lowest level of the workforce.
Organizational culture	Organizational culture refers to the beliefs, norms, customs and social practices of an organization. Organizational culture will typically reflect some of the cultural practices of the host country, though any two organizations within one host country could have remarkably different organizational cultures.
Outsourcing/ subcontracting	Outsourcing/subcontracting occurs when a business takes an internal function and has it performed externally by another person or business.
Partnership	This refers to a business owned and run by two or more persons who share the profits, often specified in a partnership agreement. Like a sole trader, no legal distinction exists between the business and the partners, who legally are 100% liable for all debts of the partnership, regardless of any understanding specified in the partnership agreement.
Patent	Patent is a form of intellectual property. When someone or an organization makes or develops something new with value (innovation), they apply at their national patent office for a patent, which gives the patent holder the exclusive right to make, use or sell the product for a specific period of time.
Paternalistic leadership	Paternalistic leadership is a style of leadership whereby the head of an organization, the patriarch or matriarch, treats employees as though they were part of their family. The head of the organization treats the employees warmly, as a parent would their children; in return, he or she expects loyalty and obedience.
Penetration pricing	Penetration pricing is a pricing strategy used to attract customers to a new product or service. When a company using penetration pricing introduces a new product or service, the company will initially set a low price, which encourages potential customers to purchase. After the initial release period, the company then raises the price of the product or service.
Performance-related pay	Performance-related pay is any form of compensation above salary or wages that is based upon the performance of an individual, a unit or even an entire company. Typically, in performance-related pay schemes, certain targets or

Glossary term	Glossary definition
	criteria are established, and exceeding the targets or the criteria results in additional compensation.
Predatory pricing	Predatory pricing occurs when a company sells a product or service at such a low price that other companies cannot compete and are forced to exit the market. While laws and sanctions for predatory pricing vary from country to country, in most developed countries predatory pricing is illegal because, when a company uses it, their aim is to eliminate competition and thus gain monopoly power in the market.
Premium pricing	A pricing strategy whereby a company sets the price of its products higher than they otherwise might need to be in order to create the impression that the products are of higher quality or value than their lower-cost equivalents.
Price elasticity of demand	This refers to the price sensitivity of consumers and the impact of that sensitivity to demand. Demand for a good is inelastic when changes in price have little effect on demand. Demand for a good is elastic when changes in price have a significant impact on demand.
Primary sector	is a section of an economy that extracts materials (minerals, oil, etc.) or harvests products from the earth, including farming, fishing, forestry and raising livestock.
Private sector	The portion of an economy not owned or directed by the government.
Privately held company	A corporation that offers limited liability to the owners. Whereas laws governing privately held companies or private limited companies vary according to legal jurisdiction, shareholders of private limited companies cannot sell their shares unless first offering them to existing shareholders, and the shares cannot be traded on a stock exchange. Most jurisdictions limit the number of shareholders in a privately held company.
Product orientation	An approach by companies that focuses their attention and resources on the product that they produce, typically by making the product as high quality or special as possible. Product-oriented companies are generally not concerned about the quantity of sales but rather that they are offering the highest quality or most special product for its target market.
Product portfolio	This refers to all of the products and services that a company offers.
Profit centre	A department or unit of a company that generates revenue and has costs; therefore, its profit contribution to the company can be determined.
Public sector	This refers to the portion of the economy controlled or owned by the government, such as government services and schools or, in countries with nationalized industries, state-owned entities or corporations.
Publicly held company	A corporation that offers limited liability to the owners. The shares of the company are traded in some public exchange, and, because of the large number of shareholders, publicly held companies must disclose or make public considerable information about the company, including audited financial information.
Quality circle	A group of workers who perform the same or similar work and who regularly meet to discuss their work in order to identify, analyse and solve challenges and problems that they encounter. Often, a quality circle will be led by a manager and a facilitator trained in problem-solving. The workers are encouraged to implement the solutions that they develop.

Glossary term	Glossary definition
Quaternary sector	The quaternary sector is that area of economic activity based upon knowledge and the movement of information. This designation is new, and some would argue that quaternary activity is part of the tertiary sector. Users of the term emphasize that quaternary-sector activities are advanced knowledge-based activities, such as information technology services, consultancy, research and development.
Redundancy	Redundancy occurs when the job someone is doing is no longer required, and the company eliminates the position. The position is then made redundant; typically, the person formerly doing the job is made unemployed.
Reshoring	Reshoring occurs when a business chooses to have a function or operation that is performed in another country brought back to the company's home country.
Revenue expenditure	This refers to the expenditure or expenses used to generate revenue. In other words, revenue expenditure is ongoing expenses for purchasing raw materials, paying wages, employing sales staff, and so on, to generate revenue within the accounting period.
Salary	A fixed, regular payment to employees, typically on a bi-weekly or monthly basis. Salaries are typically paid to white-collar workers and expressed on an annual basis.
Sampling	Sampling is a technique of selecting a subset of individuals from a given population to make some estimation or prediction of the population as a whole. Various types of sampling methods exist.
Secondary sector	The secondary sector is the economic activity of producing a finished good, that is, the sector of the economy involving manufacturing.
Segmentation	Segmentation is the process of dividing a broad market group into various segments (age, interests, special needs, location, and so on). Segmentation allows companies to shape their marketing approaches in ways that will better allow them to meet the interests of particular segments.
Self-appraisal	A type of appraisal whereby an employee evaluates their own performance. Often, self-appraisal follows a designated format, as prescribed by a company form, and the self-evaluation process can either be part of formative or summative assessment.
Single-union agreement	Single-union agreement is simply the agreement by workers and management that all workers at the company or at a specific site will be in the same union.
Situational leadership	This occurs when the leader assumes that one best leadership style does not exist but rather that leaders in an organization should adapt their leadership style according to: the ability and readiness of the people whom the leader seeks to influence the nature of the task or work.
Sole trader	A business owned and run by one person. When a business operates as a sole trader, no legal distinction exists between the business and the owner.
Span of control	This refers to the number of people who report to a manager. A manager with a wide span of control has more people reporting to them (direct reports) than a manager with a narrow span of control.
Stakeholder	A person or organization that affects, or is affected by, a business. Stakeholders are often classified as internal versus external, market versus non-market, or primary versus secondary.

Glossary term	Glossary definition
Strategic alliance	This occurs when one or more businesses agree to some form of operational cooperation that enhances the value for all parties.
Strike action, or strike	When workers decide to stop working, typically because of grievances over wages or working conditions. Workers attempt to use the work stoppage as a means to open up new negotiations regarding pay and conditions.
Subcontracting	Refer to "Outsourcing/subcontracting".
Summative appraisal	The formal, documented appraisal of an employee, usually done at a fixed time during a year. Summative appraisal typical involves a formal assessment of the employee's performance over the past year and sets targets for the upcoming year.
Takeover	A takeover is form of acquisition. With an acquisition, both parties agree to the transaction. With a takeover, the transaction is typically "hostile", meaning that the company being acquired does not want to be taken over by the acquiring company.
Target market	A particular group of customers or potential customers that a company is trying to reach. Clarity about which target market a company wants to reach provides opportunities to shape marketing strategies.
Tertiary sector	The service sector of the economy. Services include banking, retail, health care, restaurants, hotels, among many other areas of economic activity.
Through-the-line promotion	An integrated marketing approach that includes both above-the-line and below-the-line elements.
Total quality management	A management philosophy that that believes every person in an organization should be committed to making the company better by improving processes, products, services and the culture of the organization.
Trademark	A form of intellectual property that refers to a word, symbol or phrase that identifies a specific product and distinguishes it from other products.
Variable costs	Variable costs are those costs that, during the relevant period, vary with output or activity.
Variances	In cost or managerial accounting, variances are the differences between planned or budgeted sales and costs and the actual sales and costs.
Virtual reality	The use of computer technologies to create a simulated 3D experience. Virtual reality is often used for entertainment but is increasingly used for educational purposes, where the learner can experience a simulated situation (for example, surgery) before actually performing the task in live or real circumstances.
Wages (time and piece rates)	The monetary compensation paid by an employer to an employee for work completed. Wages can be either on a time basis (for example, \$15 per hour) or, in certain industries, on a piece basis (\$10 for every widget produced).
Work to rule	A form of industrial action by workers where workers follow the rules of work established in the collective bargaining process but do no more. Work-to-rule action reduces output and efficiency, as workers are doing only the bare minimum required by the collective bargaining agreement.