



This specification is for first teaching from September 2025.
First assessment will be from summer 2027.

Specification

OCR LEVEL 3 ADVANCED GCE IN

BUSINESS

H436

For first assessment in 2027



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Designing and testing [in collaboration with teachers](#) and students



Helping young people develop an [ethical view of the world](#)



Equality, diversity, inclusion and belonging (EDIB) are [part of everything we do](#)

Are you using the latest version of this specification?

The latest version of our specifications will always be on [our website](#) and may differ from printed versions. We will inform centres about changes to specifications.

This qualification is in draft form and has not yet been accredited by The Regulator, Ofqual. It is published to enable teachers to have an early sight of our proposed approach to this qualification. Further changes may be required and no assurance can be given at this time that the proposed qualification will be made available in its current form, or that it will be accredited in time for first teaching in 2025.

Disclaimer

Specifications are updated over time. Whilst every effort is made to check all documents, there may be contradictions between published resources and the specification, therefore, please use the information on the latest specification at all times. Where changes are made to specifications these will be indicated within the document, there will be a new version number indicated, and a summary of the changes. If you do notice a discrepancy between the specification and a resource please contact us at: resources.feedback@ocr.org.uk

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1. Why choose OCR?

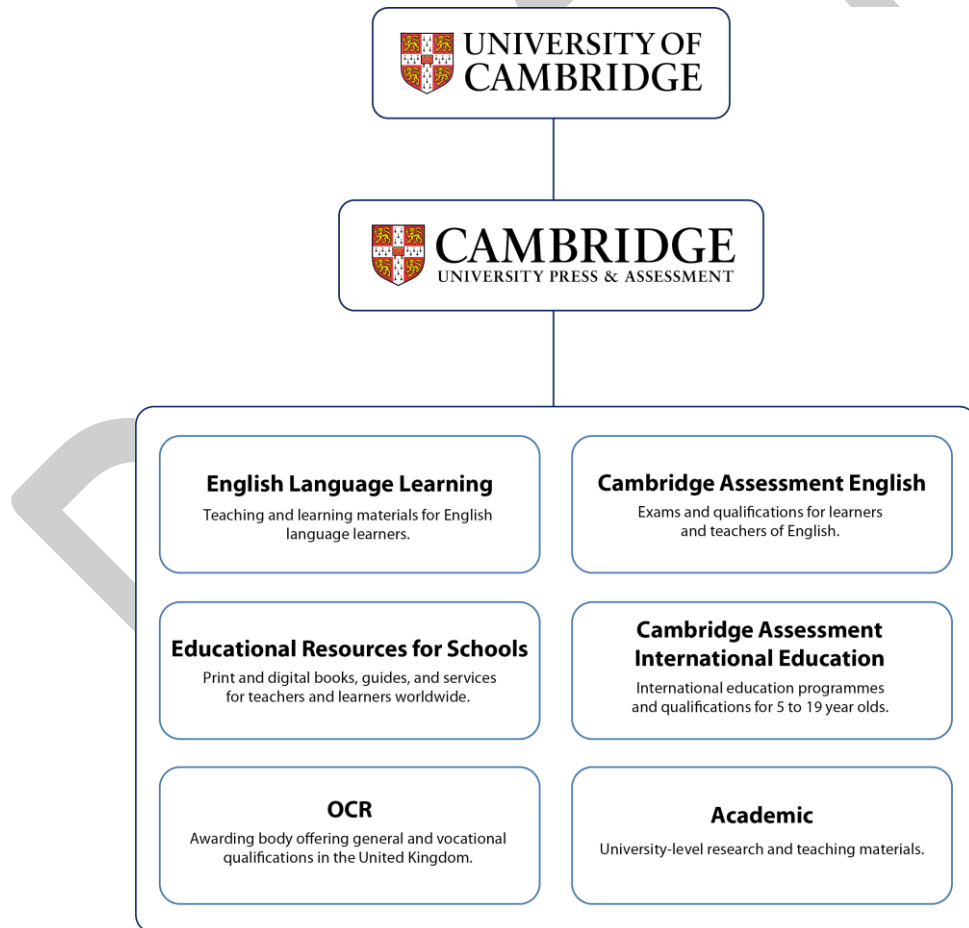
Choose OCR and you have the reassurance that you are working with one of the UK’s leading examination boards.

We collaborate with teachers, employers and Higher Education representatives to develop qualifications which are relevant and meet the needs of students.

We work with a range of education providers, including schools, colleges, workplaces and other institutions in both the public and private sectors. Over 13,000 centres choose our A Levels, GCSEs and vocational qualifications, including Cambridge Nationals and Cambridge Technicals.

We are part of Cambridge University Press & Assessment, Europe’s largest assessment agency and a department of the University of Cambridge. We play a leading role in developing and delivering assessments worldwide, operating in over 150 countries.

We listen. The decisions we make when we develop our specification are based on teacher and student feedback. To tell us more about your experiences of teaching OCR, join our teacher [panel](#) and help shape the future of our assessments.



All A Level qualifications offered by OCR are accredited by Ofqual, the Regulator for qualifications offered in England. The accreditation number for the OCR Level 3 Advanced GCE in Business is QNxxx/xxxx/x

1.1 Teacher support

We have a range of support services to help you at every stage, from preparation to delivery.

Our teacher support is designed to make teaching our qualifications straightforward, whether you are an experienced teacher, new to teaching, new to OCR, or not a subject specialist of the qualification you are teaching.

- **Teach Cambridge:** our teacher website, providing access to everything you need in one place.
- **Teacher resources:** extensive resources to download or watch. Plan and structure your teaching with curriculum planners, schemes of work and teacher guides, and prepare for assessment with examiner reports, exemplars and NEA guidance.
- **Professional development:** a comprehensive programme of assessor-led courses and Q&A sessions with our experts, plus free teacher network events.
- **Online training courses:** on-demand NEA support and marking practice to complete at your own pace.
- **ExamBuilder:** our free test-maker platform. Access past papers and build your own customised formative assessments for your students.
- **Access to Scripts:** a free service for exams officers to download copies of your students' completed question papers.
- **Active Results:** our free online results analysis service to help you review exam performance.

Request trial access to [Teach Cambridge](#) to explore the range or ask your exams officer to set up your account.

Our [OCR subject advisors](#) provide support and information to centres, including:

- Specification and non-exam assessment advice.
- Updates on resource developments and training opportunities.
- Information on our subject networks giving an opportunity to share ideas and expertise.

Further help and support

Visit our subject pages to find out more about the assessment and resources to support your teaching and request trial access to [Teach Cambridge](#).

Not a registered or approved OCR centre? Discover the benefits of becoming one on the [OCR website](#).

Have more questions about teaching OCR qualifications? Explore our [Online Support Centre](#) or contact our [Customer Support team](#). Contact details are available on the final page of this specification.

Work with us

As one of the major UK exam boards, OCR is responsible for creating and marking exams taken by over a million students each year. We work with over 10,000 professionals to create, check, mark and moderate our assessments. If you would like to find out more about becoming an OCR examiner, please visit our website for more information.

1.2 People and Planet

OCR is part of Cambridge University Press & Assessment, which has clear commitments to champion sustainability, diversity, trust and respect for our people and planet.

We are committed to supporting a curriculum that helps young people develop an ethical view of the world. This enables them to take social responsibility, understand environmental issues and prepare them for the green jobs of the future.

Our equality, diversity, inclusion and belonging principles are that we:

- are respectful and considerate
- celebrate differences and promote positive attitudes to belonging
- include perspectives that reflect the diverse cultural and lifestyle backgrounds of our society
- challenge prejudicial views and unconscious biases
- promote a safe and supportive approach to learning
- are accessible and fair, creating positive experiences for all
- provide opportunities for everyone to perform at their best
- are contemporary, relevant and equip everyone to live and thrive in a global, diverse world
- create a shared sense of identity in a modern mixed society with one humanity.

To learn more, including our work on accessibility in our assessment materials, visit our [People and Planet page](#).

If you prefer to use a printed copy of the specification, consider printing a selection of pages instead of the full specification. The following are the pages which you might find useful to print:

Specification at a glance

pages x–x

Subject content

pages x–x

Forms of assessment

pages x–x

2. Specification at a glance

2.1 Assessment overview

Students must complete all question papers (01, 02 and 03) to be awarded the OCR Level 3 Advanced GCE in Business.

Content	Assessment
<ul style="list-style-type: none"> • Business activity • Marketing • People 	Business activity, marketing and people (01) 90 marks 2 hours written paper 33.3 % of total A Level
<ul style="list-style-type: none"> • Operations • Finance • External influences 	Operations, finance and external influences (02) 90 marks 2 hours written paper 33.3 % of total A Level
<ul style="list-style-type: none"> • Strategy • Risk • Managing change 	Strategy, risk and managing change (03)* 90 marks 2 hours written paper 33.3 % of total A Level

* Indicates inclusion of synoptic assessment.

2.2 Content overview

Business activity, marketing and people (01)		Operations, finance and external influences (02)	
1. Business activity	1.1 What is business activity? 1.2 Business structure 1.3 Stakeholders 1.4 Business size and growth 1.5 Scale of operations 1.6 Customer journey	4. Operations	4.1 What is operations? 4.2 Productivity 4.3 Quality 4.4 Capacity 4.5 Inventory 4.6 Supply chain management and logistics 4.7 Measuring operational performance
2. Marketing	2.1 What is marketing? 2.2 Identifying and anticipating customer needs 2.3 Targeting customers 2.4 The marketing mix 2.5 Sales forecasting 2.6 Technology in marketing 2.7 Measuring marketing performance	5. Finance	5.1 What is finance 5.2 Costs, revenue, profit and loss 5.3 Budgeting 5.4 Cash flow forecasting and liquidity 5.5 Sources of finance 5.6 Financial statements 5.9 Measuring financial performance
3. People	3.1 What is human resource management? 3.2 Organisational design 3.3 Motivation 3.4 Leadership 3.5 Employer/employee relations 3.6 Recruitment and selection 3.7 Training and development 3.8 Measuring human resource performance	6. External influences	6.1 What is the market? 6.2 The global market 6.3 Political, economic, social and technological influences

Strategy, risk and managing change (03)

7.1 Business planning
 7.2 Business strategy
 7.3 Strategic decision making and implementation
 7.4 Investment decisions

7.5 Managing risk
 7.6 Change management
 7.7 Ethical, legal, environmental and sustainability issues

3. Subject content

In all of the following content, students are required to apply their knowledge, understanding and skills to a wide variety of different business contexts with varying degrees of competition within dynamic business environments. Students must investigate different types and sizes of business organisations in various business sectors and environments in local, national and global contexts. They must develop an understanding of how these contexts impact on business behaviour.

Students should be able to make decisions based on the analysis and evaluation of data and other information provided. Students should be able to analyse data and recognise the use and limitations of qualitative and quantitative data in business decision making.

Students' knowledge, understanding and skills must enable them to:

- identify business opportunities and problems
- investigate, analyse and evaluate business opportunities and problems
- apply numerical skills and make justifiable decisions using both qualitative methods and quantitative methods
- identify and understand how businesses adapt to operate successfully in a dynamic business environment.

Please see Section 3.1 for details of the required range and extent of quantitative skills in business.

Students should develop an holistic understanding of business and enterprise. They should understand and apply sophisticated concepts and techniques, analyse, interpret and evaluate complex business information and take a more strategic view of business opportunities, problems and issues.

Business activity, marketing and people (H436/01)

This component introduces students to business concepts and issues concerning the activities of a business. It explores the purpose and role of a business, from first spotting an enterprising opportunity through to the growth of an established business. The component takes a closer look at the role of marketing and people in organisations.

There are three sections covering content – Section 1: business activity, Section 2: marketing and Section 3: people. Content from these three sections will be assessed in Component 01. Throughout this component, students will need to consider how different contexts affect business decisions.

1. Business activity

In this section, students explore how and why businesses start and grow. Knowledge and understanding of business activity must include the following:

1.1 What is business activity?	
Content	Points to include
1.1.1 Enterprise and business activity <ul style="list-style-type: none"> • Types of business activity • Starting a business • Entrepreneurs and intrapreneurs • Likelihood of success 	<ul style="list-style-type: none"> <input type="checkbox"/> buying, selling, adding value to products (goods and services) <input type="checkbox"/> spotting an opportunity, generating and developing an idea for a business, satisfying the needs of customers, barriers to enterprise <input type="checkbox"/> roles, characteristics <input type="checkbox"/> risk, reward, uncertainty
1.1.2 Business objectives <ul style="list-style-type: none"> • Business objectives • SMART objectives 	<ul style="list-style-type: none"> <input type="checkbox"/> profit, growth, survival, society's needs and wants, sustainability, market share, revenue, cost control <input type="checkbox"/> specific, measurable, achievable, realistic, time-based

1.2 Business structure		
Content		Points to include
1.2.1	Business sectors	<input type="checkbox"/> primary, secondary, tertiary
1.2.2	Types of business ownership	<input type="checkbox"/> sole traders, partnerships, private limited companies, public limited companies
1.2.3	Other forms of business enterprise	<input type="checkbox"/> not-for-profit organisations, social enterprises

1.3 Stakeholders		
Content		Points to include
1.3.1	Types of stakeholders	<input type="checkbox"/> owners/shareholders, employees (including managers and directors), lenders, customers, potential investors, government (central, local), suppliers, local community
1.3.2	Stakeholder objectives	<input type="checkbox"/> objectives of each stakeholder

1.4 Business size and growth		
Content		Points to include
1.4.1	Measurement of business size	<input type="checkbox"/> revenue, output, number of outlets, number of employees, market share, number of customers, market capitalisation, capital employed, area/space
1.4.2	Business growth <ul style="list-style-type: none"> • Internal business growth • External business growth 	<input type="checkbox"/> increasing output, gaining new customers, developing new products, increasing market share, franchising <input type="checkbox"/> mergers and takeovers (horizontal and vertical [backward and forward] integration), diversification

1.5 Scale of operations		
Content		Points to include
1.5.1	Factors influencing the scale of operations	<input type="checkbox"/> product, costs, customer expectations, suppliers, technology, infrastructure
1.5.2	The influence of scale of operations on a business	<input type="checkbox"/> economies of scale (internal and external), diseconomies of scale, market power, overtrading

1.6 Customer journey		
Content		Points to include
1.6.1	Stages of the customer journey	<input type="checkbox"/> awareness, consideration, purchase, retention, advocacy
1.6.2	Customer experience	<input type="checkbox"/> speed and quality of service, product knowledge, after-sales service, personalisation

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2. Marketing

In this section, students explore the purpose and role of marketing in business and how it influences business activity and the decisions businesses take. Knowledge and understanding of marketing must include the following:

2.1 What is marketing?		
Content		Points to include
2.1.1	The purpose and role of marketing	<input type="checkbox"/> identifying a market and understanding its customers, satisfying and informing customers, increasing sales, creating a unique selling point (USP)
2.1.2	Approaches to marketing	<input type="checkbox"/> market orientation, product orientation

2.2 Identifying and anticipating customer needs		
Content		Points to include
2.2.1	The purpose of market research	<input type="checkbox"/> identifying and understanding customer needs
2.2.2	Primary market research methods	<input type="checkbox"/> questionnaires, interviews, trialling, focus groups, observation
2.2.3	Secondary market research sources	<input type="checkbox"/> newspapers and magazines, books, census, websites, internal data, government, published data
2.2.4	Sampling	<input type="checkbox"/> random, stratified, systematic
2.2.5	Market research data	<input type="checkbox"/> qualitative data, quantitative data

2.3 Targeting customers		
Content		Points to include
2.3.1	Market analysis	<input type="checkbox"/> market size, market share, market growth
2.3.2	How markets may differ <ul style="list-style-type: none"> • Types of market • Mass and niche markets 	<input type="checkbox"/> business to consumer (B2C), business to business (B2B) <input type="checkbox"/> characteristics, market size, market share, brands
2.3.3	Market segmentation	<input type="checkbox"/> demographic, geographic, psychographic

2.4 The marketing mix		
Content		Points to include
2.4.1	Product <ul style="list-style-type: none"> Product development Product life cycle Product portfolio analysis 	<input type="checkbox"/> design, invention, innovation, sources of ideas, research and development (R&D) <input type="checkbox"/> introduction, growth, maturity, decline, extension strategies <input type="checkbox"/> Boston Matrix (question marks, stars, cash cows, dogs)
2.4.2	Price <ul style="list-style-type: none"> Pricing methods Elasticity of demand 	<input type="checkbox"/> skimming, cost-plus, penetration, competitor, psychological, dynamic, freemium <input type="checkbox"/> price elasticity of demand (PED), income elasticity of demand (YED)
2.4.3	Promotion <ul style="list-style-type: none"> Non-digital promotion Digital promotion 	<input type="checkbox"/> advertising, sales promotion, direct mail, packaging, branding, public relations, sponsorship, point of sale <input type="checkbox"/> influencer and social media, websites, email, search engine optimisation (SEO), pay-per-click (PPC), chatbots, content marketing (including blogs, videos, podcasts)
2.4.4	Place/distribution <ul style="list-style-type: none"> Channels of distribution Intermediaries 	<input type="checkbox"/> physical, digital and multi-channel (including e-commerce) <input type="checkbox"/> wholesaler, retailer, agent

2.5 Sales forecasting		
Content		Points to include
2.5.1	Sales forecasting <ul style="list-style-type: none"> The purpose of sales forecasting Types of sales forecasting 	<input type="checkbox"/> identifying trends, predicting future sales, planning, making informed business decisions <input type="checkbox"/> historical sales forecasting (scatter graphs, line of best fit, using past data to predict future sales trend), intuitive sales forecasting, sales forecasting for new products

2.6 Technology in marketing		
Content		Points to include
2.6.1	Technology in marketing	<input type="checkbox"/> big data, artificial intelligence (AI), gamification, virtual reality, augmented reality

2.7 Measuring marketing performance		
Content		Points to include
2.7.1	Measuring marketing performance	<input type="checkbox"/> complaints, customer feedback, customer reviews, net promoter score (NPS)

3. People

In this section, students explore the purpose and role of people in organisations and how they influence business activity and the decisions businesses take. Knowledge and understanding of people must include the following:

3.1 What is human resource management (HRM)?		
Content		Points to include
3.1.1	The purpose and role of human resource management (HRM)	<input type="checkbox"/> identifying and meeting the labour resource needs of a business
3.1.2	Ways of working	<input type="checkbox"/> part-time, full-time, permanent, temporary, flexible, shift working, working from home/hybrid/remote, self-employed

3.2 Organisational design		
Content		Points to include
3.2.1	Organisational design <ul style="list-style-type: none"> • The purpose of organisational design • Types of organisational structure • Features of an organisational structure 	<input type="checkbox"/> flexibility, meeting the needs of the business, growth, development, intrapreneurship <input type="checkbox"/> hierarchical (tall and flat), matrix, by product, by function, by geographical area, centralised and decentralised <input type="checkbox"/> levels of hierarchy, chain of command, delayering, span of control, subordinates, responsibility, authority, delegation, accountability, degree of centralisation

3.3 Motivation		
Content		Points to include
3.3.1	The purpose of motivation	<input type="checkbox"/> human needs and their satisfaction at work, recruitment and retention, employee performance
3.3.2	Motivation in practice <ul style="list-style-type: none"> • Financial methods of motivation • Non-financial motivators 	<input type="checkbox"/> salary, hourly wage, piece rates, commission, bonuses, pensions, profit sharing, performance-related pay, fringe benefits <input type="checkbox"/> praise, employee recognition schemes, working environment, opportunities for promotion, empowerment, job enrichment, job rotation
3.3.3	Employee morale, health and wellbeing	<input type="checkbox"/> work-life balance, mental health awareness, equality, diversity, inclusion and belonging (EDIB)

3.4 Leadership		
Content		Points to include
3.4.1	Leadership <ul style="list-style-type: none"> • The role of leadership • Styles of leadership 	<input type="checkbox"/> presenting a vision, uniting a team, communicating culture, modelling core values, creating an inclusive work environment, inspiring and motivating <input type="checkbox"/> autocratic, democratic, laissez-faire, paternalistic, transformational

3.5 Employer/employee relations		
Content		Points to include
3.5.1	Employee participation	<input type="checkbox"/> employee voice, suggestion schemes, participative decision making, works councils
3.5.2	Trade unions <ul style="list-style-type: none"> • The purpose of trade unions • Types of industrial action 	<input type="checkbox"/> negotiation, collective bargaining, improve working conditions, legal assistance <input type="checkbox"/> strikes, picketing, action short of a strike (slow down, overtime ban)
3.5.3	Redundancy and dismissal <ul style="list-style-type: none"> • Redundancy • Dismissal 	<input type="checkbox"/> voluntary, involuntary <input type="checkbox"/> unfair (including trade union membership, paternity and maternity leave, whistleblowing, refusing to give up working time rights), fair (including capacity, conduct, redundancy and other substantial reasons)

3.6 Recruitment and selection		
Content		Points to include
3.6.1	Recruitment <ul style="list-style-type: none"> • Reasons businesses recruit • Internal and external recruitment processes 	<input type="checkbox"/> replacement of employees who leave, business growth, skill gaps <input type="checkbox"/> job descriptions, person specifications, job advertisements, employment agencies, online recruitment
3.6.2	Selection <ul style="list-style-type: none"> • Selection methods 	<input type="checkbox"/> curriculum vitae (CV), application forms, letters of application, interviews, references, tests, group activities, assessment centres

3.7 Training and development		
Content		Points to include
3.7.1	<p>Training and development</p> <ul style="list-style-type: none"> • Reasons businesses train and develop workers • Types of training and development • Methods of training and development 	<ul style="list-style-type: none"> <input type="checkbox"/> development of the business, to improve productivity, skill shortages, customer service, motivation, retention, to encourage intrapreneurship, multi-skilling, flexibility, statutory (including health and safety, fire safety, equality) <input type="checkbox"/> induction, on-the-job, off-the-job <input type="checkbox"/> coaching, mentoring, shadowing, workshops, online learning, onboarding, apprenticeships

3.8 Measuring human resource performance		
Content		Points to include
3.8.1	<p>Measuring human resource performance</p>	<ul style="list-style-type: none"> <input type="checkbox"/> employee turnover, absenteeism, employee productivity

Operations, finance and external influences (H436/02)

This component takes a closer look at the role of operations management and accounting and finance. The component also includes consideration of significant external influences on business. It explores the importance of these influences and how businesses respond to them

There are three sections covering content – Section 4: operations, Section 5: finance and Section 6: external influences. Content from all these sections will be assessed in Component 02. Students will be required to draw on underpinning content from Business 1: business activity, marketing and people. Throughout this component, students will need to consider how different contexts affect business decisions.

4. Operations

In this section, students explore operations management, its role in the production of goods and the provision of services, and how it influences business activity. Knowledge and understanding of operations management must include the following:

4.1 What is operations?		
Content		Points to include
4.1.1	The purpose and role of operations	<input type="checkbox"/> the production of products (goods and services)
4.1.2	Production <ul style="list-style-type: none"> • The production process • Adding value 	<input type="checkbox"/> inputs to outputs, adding value to products (including goods and services) <input type="checkbox"/> convenience, branding, quality, design, unique selling points, sustainability (including circular design, energy efficiency, sustainable sourcing), facilities
4.1.3	Technology in production	<input type="checkbox"/> automation, computers, robotics, cloud services, nanotechnology, augmented reality, artificial intelligence (AI), 3D printing

4.2 Productivity		
Content		Points to include
4.2.1	Productivity	<input type="checkbox"/> efficiency, effectiveness, measuring productivity

4.3 Quality		
Content		Points to include
4.3.1	Production quality <ul style="list-style-type: none"> The purpose of quality What is production quality? 	<input type="checkbox"/> reputation of the business to gain and retain customers, reduce product returns and recalls, reduce complaints <input type="checkbox"/> fit for purpose, meeting minimum standards
4.3.2	Managing quality	<input type="checkbox"/> quality control, quality assurance

4.4 Capacity		
Content		Points to include
4.4.1	Capacity <ul style="list-style-type: none"> Managing capacity Managing capacity utilisation 	<input type="checkbox"/> capacity utilisation, under maximum capacity, over maximum capacity <input type="checkbox"/> increasing production, reducing capacity, reducing maintenance downtime, outsourcing

4.5 Inventory		
Content		Points to include
4.5.1	Types of inventory	<input type="checkbox"/> raw materials, work in progress, finished goods
4.5.2	Managing inventory <ul style="list-style-type: none"> Inventory control Inventory control charts Inventory management systems 	<input type="checkbox"/> reducing risk of stock-out, minimising storage costs <input type="checkbox"/> buffer inventory/minimum inventory level, maximum inventory level, re-order level, re-order quantity, lead time <input type="checkbox"/> just in time (JIT) <i>Note: inventory control charts include calculations and interpretation. Completion of inventory control charts are not required.</i>

4.6 Supply chain management and logistics		
Content		Points to include
4.6.1	Supply chain management and logistics <ul style="list-style-type: none"> • Stages of supply chain management • Logistics 	<input type="checkbox"/> planning, sourcing supplies, producing/manufacturing, delivering products to customers, customer returns <input type="checkbox"/> length of supply chain, procurement, reliability of supply, costs, transport infrastructure, methods of transportation, timing

4.7 Measuring operational performance		
Content		Points to include
4.7.1	Measuring operational performance	<input type="checkbox"/> key performance indicators (including defect/wastage rate, output, productivity, delivery times)

5. Finance

In this section, students explore the purpose of accounting and finance, its role in business and how it influences business activity and the decisions businesses take. Knowledge and understanding of accounting and finance must include the following:

5.1 What is finance?		
Content		Points to include
5.1.1	The role of accounting and finance <ul style="list-style-type: none"> • The purpose and role of the finance function • Business failure due to a lack of finance 	<input type="checkbox"/> providing financial information, supporting business planning and decision making <input type="checkbox"/> bankruptcy, liquidation and administration
5.1.2	Financial understanding <ul style="list-style-type: none"> • Types of business asset • Types of business liability • Capital • Cash and profit 	<input type="checkbox"/> current assets, non-current assets <input type="checkbox"/> current liabilities, non-current liabilities <input type="checkbox"/> Share capital, retained profit <input type="checkbox"/> the difference between cash and profit

5.2 Costs, revenue, profit and loss		
Content		Points to include
5.2.1	Costs and revenue	<input type="checkbox"/> fixed cost, variable cost, total cost, unit cost, total (sales) revenue
5.2.2	Break-even analysis <ul style="list-style-type: none"> • Break-even charts • Break-even calculations • Break-even decisions 	<input type="checkbox"/> total revenue, total costs, break-even quantity, margin of safety, profit, loss, fixed costs <input type="checkbox"/> contribution per unit, total contribution, total revenue, total costs, break-even quantity, margin of safety <input type="checkbox"/> acceptance of special orders, discontinuing a product based on contribution, price setting, 'what if' scenarios <i>Note: break-even charts include completing and interpreting charts.</i>
5.2.3	Profit and profitability <ul style="list-style-type: none"> • Types of profit • Profitability ratios 	<input type="checkbox"/> gross profit, operating profit, profit for the year (net profit) <input type="checkbox"/> gross profit margin, operating profit margin, profit for the year (net profit) margin

5.3 Budgeting		
Content		Points to include
5.3.1	The purpose of budgeting	<input type="checkbox"/> planning, allocating resources, coordinating, controlling, motivating, measuring performance
5.3.2	Variance analysis of budgets (cost, revenue and profit budgets)	<input type="checkbox"/> favourable variances, adverse variances

5.4 Cash flow forecasting and liquidity		
Content		Points to include
5.4.1	Cash flow forecasting <ul style="list-style-type: none"> The purpose of cash flow forecasting Cash flow forecasts Managing cash flow 	<input type="checkbox"/> planning, assessing and monitoring future business performance, anticipating periods of cash shortage, obtaining finance, enabling remedies to be put into place for shortages, providing targets <input type="checkbox"/> opening balance, closing balance, cash inflow, cash outflow, net cash flow <input type="checkbox"/> cost control, inventory management, delaying payment to suppliers, selling assets, delaying purchasing assets, delaying business growth, arranging overdraft facility
5.4.2	Liquidity <ul style="list-style-type: none"> The importance of liquidity to a business Liquidity ratios 	<input type="checkbox"/> enables business to meet short-term debts and make payments <input type="checkbox"/> current ratio, acid test ratio

5.5 Sources of finance		
Content		Points to include
5.5.1	Ways of raising finance <ul style="list-style-type: none"> Internal sources of finance External sources of finance 	<input type="checkbox"/> owners' investment, retained profit, sale of assets <input type="checkbox"/> share capital, venture capital, bank overdrafts, leasing, loans, trade credit, credit cards crowdfunding, grants
5.5.2	Factors affecting the sources of finance	<input type="checkbox"/> cost, flexibility, amount of finance required, retaining control, the use to which the finance is put, level of existing debt, timescale, business structure, availability

5.6 Financial statements		
Content		Points to include
5.6.1	The purpose of financial statements	<input type="checkbox"/> to inform stakeholders, to make business decisions, to raise finance, to meet legal requirements
5.6.2	Income (profit and loss) statement	<input type="checkbox"/> revenue, cost of sales, gross profit, expenses, operating profit, taxation, profit for the year (net profit), dividends, retained profit <i>Note: the completion of income statements is not required.</i>
5.6.3	Statement of financial position	<input type="checkbox"/> non-current assets, current assets, current liabilities, net current assets, non-current liabilities, net assets, reserves and equity <i>Note: the completion of statements of financial position is not required.</i>

5.7 Measuring financial performance		
Content		Points to include
5.7.1	Measuring financial performance <ul style="list-style-type: none"> • Profitability ratio • Efficiency ratios • Gearing ratio 	<input type="checkbox"/> return on capital employed <input type="checkbox"/> inventory turnover, trade receivable days, trade payable days <input type="checkbox"/> gearing ratio

6. External influences

In this section, students explore external influences that affect businesses, and how and why businesses respond to these influences. Knowledge and understanding of external influences must include the following:

6.1 What is the market?		
Content		Points to include
6.1.1	What is the market?	<input type="checkbox"/> buyers/demand, sellers/supply
6.1.2	Buyers and sellers <ul style="list-style-type: none"> • Factors affecting demand • Factors affecting supply 	<input type="checkbox"/> price, income, price of related products (substitutes and complements), tastes and fashion, expectations, number of consumers, promotion <input type="checkbox"/> production costs, number of businesses in the market, capacity, weather, productivity, taxation and subsidies
6.1.3	Influence of competition on the market	<input type="checkbox"/> number of competitors, size of competitors, behaviour of competitors

6.2 The global market		
Content		Points to include
6.2.1	International trade	<input type="checkbox"/> imports, exports, open trade, trade agreements, protectionism (including tariffs and quotas), exchange rates (appreciation and depreciation)
6.2.2	Multinational business considerations	<input type="checkbox"/> cultural differences, different political environments, different legal environments
6.2.3	Influence of global contexts on a business	<input type="checkbox"/> improvements in communication, liberalisation of trade, transport infrastructure, global competition

6.3 Political, social, economic and technological influences		
Content		Points to include
6.3.1	Political influences on a business	<input type="checkbox"/> government policies, political stability
6.3.2	Economic influences <ul style="list-style-type: none"> • Economic influences on a business • Influence of economic policies on a business 	<input type="checkbox"/> the business cycle (expansion, peak, contraction, trough), consumer income, employment <input type="checkbox"/> taxation (direct and indirect), subsidies, interest rates (Bank of England base rate)
6.3.3	Social influences on a business	<input type="checkbox"/> demographics, lifestyle, tastes, culture, fashion, buying behaviour (including online and high street), community and pressure group behaviour
6.3.4	Technological influences on a business	<input type="checkbox"/> cybersecurity, artificial intelligence (AI), mobile and wearable technology, social media, cloud services, automation, robots/drones, electric vehicles

Strategy, risk and managing change (H436/03)

This component investigates the role of business planning and strategy. It also considers how businesses manage risk and make decisions in the face of a changing business landscape. A holistic understanding of business is promoted as students take a more strategic view of business opportunities, problems and issues. Throughout this component, students will need to consider how different contexts affect business decisions.

Students will use content from all components to make connections between different elements of the subject. They will need to draw together knowledge, skills and understanding from different parts of the A Level Business course for synoptic assessment in the Component 03 examination.

7. Strategy, risk and managing change

7.1 Business planning		
Content		Points to include
7.1.1	<p>Business planning</p> <ul style="list-style-type: none"> • The purpose of business planning • The purpose of a business plan 	<ul style="list-style-type: none"> <input type="checkbox"/> reducing risk, helping a business to succeed <input type="checkbox"/> identifying markets, helping with obtaining finance, identifying the resources a business needs to operate, achieving business objectives

7.2 Business strategy		
Content		Points to include
7.2.1	<p>The meaning and purpose of business strategy</p>	<ul style="list-style-type: none"> <input type="checkbox"/> the interdependent nature of business activity, operations, finance, marketing, people and the external influences that create business strategy; how business strategy underpins business decision making
7.2.2	<p>Models of business strategy</p> <ul style="list-style-type: none"> • SWOT analysis • PEST analysis • Ansoff matrix • Porter's five forces 	<ul style="list-style-type: none"> <input type="checkbox"/> strengths, weaknesses, opportunities and threats <input type="checkbox"/> political, economic, social and technological influences <input type="checkbox"/> market penetration, product development, market development, diversification <input type="checkbox"/> threat of substitution, threat of new entry, buyer power, supplier power, competitive rivalry

7.3 Strategic decision making and implementation

Content		Points to include
7.3.1	The process of decision making <ul style="list-style-type: none"> Decision making Stages of decision making 	<input type="checkbox"/> opportunity cost, risk, reward, uncertainty <input type="checkbox"/> defining the problem, researching the context, analysing approaches, evaluating solutions
7.3.2	Interrelated business decision making	<input type="checkbox"/> the impact of decision making on stakeholders and business functions (marketing, people, operations, finance)
7.3.3	Strategic implementation <ul style="list-style-type: none"> Corporate planning Organisational culture 	<input type="checkbox"/> gathering information, setting objectives, devising strategies, implementing the plan, monitoring, evaluating <input type="checkbox"/> Power Culture, Role Culture, Task Culture and Person Culture

7.4 Investment decisions

Content		Points to include
7.4.1	Investment decisions	<input type="checkbox"/> investment appraisal techniques (including payback, average rate of return (ARR), net present value (NPV)) <i>Note: Discount factors will be provided and do not need to be calculated.</i>

7.5 Managing risk

Content		Points to include
7.5.1	The process of decision making <ul style="list-style-type: none"> Business continuity Crisis management 	<input type="checkbox"/> contingency plans, disaster recovery plans <input type="checkbox"/> management response, communication response, operational response
7.5.2	Insurance <ul style="list-style-type: none"> The purpose of insurance Types of insurance 	<input type="checkbox"/> mitigating risk, financial protection, business confidence <input type="checkbox"/> premises, vehicle, employer liability, public liability

7.6 Change management		
Content		Points to include
7.6.1	Causes of change <ul style="list-style-type: none"> Internal causes of change External causes of change 	<input type="checkbox"/> business size and performance, new ownership, leadership, workforce (including demand for flexible working, availability of skills) <input type="checkbox"/> political, economic, social, technological, legal, ethical, environmental, market, competition
7.6.2	Effects of change	<input type="checkbox"/> the impact on decision making, competitiveness, stakeholders, business functions (marketing, people, operations, finance)
7.6.3	Barriers to change	<input type="checkbox"/> resistance from stakeholders, lack of leadership support, unclear vision, insufficient resources, organisational culture
7.6.4	Managing and implementing change <ul style="list-style-type: none"> Lewin's force field analysis Critical path analysis (CPA) 	<input type="checkbox"/> driving forces, restraining forces <input type="checkbox"/> minimum project duration, the critical path, total float, free float, interpretation of the results of the analysis of a network, how minimum duration and floats might be used in project management <i>Note: critical path analysis includes calculations and interpretation. Completion of critical path analysis diagrams are not required.</i>
7.6.5	Monitoring change management	<input type="checkbox"/> quantitative data (including output, benchmarking, productivity [including employee productivity]), qualitative data (including customer feedback, employee feedback, media coverage)

7.7 Ethical, legal, environmental and sustainability issues		
Content		Points to include
7.7.1	Ethical issues	<input type="checkbox"/> treatment of workers (including pay gaps, working conditions, diversity, equity and inclusion), treatment of suppliers (including transparent procurement methods, payment terms, treatment of customers, sourcing of materials, marketing decisions (including pricing decisions, promotion decisions), community engagement (including charitable donations, sponsorships, employee volunteer programmes)
7.7.2	Legal issues <ul style="list-style-type: none"> • Consumer protection • Employee protection 	<input type="checkbox"/> as described, fit for purpose, satisfactory quality, services carried out with reasonable care and skill, services carried out in a reasonable time frame <input type="checkbox"/> minimum wage, working time, employment contracts, health and safety, unfair dismissal
7.7.3	Environmental issues	<input type="checkbox"/> air pollution, noise pollution, water pollution, climate change, congestion, destruction of the environment, waste disposal, environmental audit
7.7.4	Sustainability <ul style="list-style-type: none"> • What is sustainability? • Sustainability considerations 	<input type="checkbox"/> the three pillars of sustainability (social, economic, environmental) <input type="checkbox"/> supply chain transparency and traceability, net zero, circular economy, nature positive approaches, the three Rs (reduce, reuse, recycle), green technology, greenwashing
7.7.5	Environmental, social and governance (ESG)	<input type="checkbox"/> ESG reporting (including waste reduction, carbon emissions, responsible sourcing)

3.1 Quantitative Skills in Business

In order to be able to develop their skills, knowledge and understanding in Business, learners need to have acquired competence in the quantitative skills that are relevant to the subject content and which are applied in the context of a Business A Level, including:

- calculate, use and understand ratios, averages and fractions
- calculate, use and understand percentages and percentage changes
- construct and interpret a range of standard graphical forms
- interpret index numbers
- calculate cost, revenue, profit and break-even
- calculate investment appraisal outcomes and interpret results*
- interpret values of price and income elasticity of demand
- use and interpret quantitative and non-quantitative information in order to make decisions
- interpret, apply and analyse information in written, graphical and numerical forms.

The assessment of quantitative skills will include at least level two mathematical skills as a minimum of 10% of the overall AS Level marks and as a minimum of 10% of the overall A Level marks.

These quantitative skills may be assessed across the assessment objectives.

** as this skill does not form part of the AS Level core content, it may still be assessed at AS Level but it must be assessed at A Level*

We will provide a list of formulae for the assessments which can be found on our website, you will be able to use this during teaching and learning though students will not be permitted to bring an annotated version into the exam and a clean copy will be provided.

3.2 Aims and Learning outcomes

We believe in developing specifications that help you bring the subject to life and inspire your students to achieve more.

We've created teacher-friendly specifications based on extensive research and engagement with teachers. They're designed to be straightforward and accessible so that you can tailor the delivery of the course to suit your needs. We aim to encourage students to become responsible for their own learning, confident in discussing ideas, innovative and engaged.

The OCR Level 3 Advanced GCE in Business encourages students:

- develop an enthusiasm for studying business
- gain a holistic understanding of business in a range of contexts
- develop a critical understanding of organisations and their ability to meet society's needs and wants
- understand that business behaviour can be studied from a range of perspectives
- generate enterprising and creative approaches to business opportunities, problems and issues
- be aware of the ethical dilemmas and responsibilities faced by organisations and individuals

- acquire a range of relevant business and generic skills, including decision making, problem solving, the challenging of assumptions and critical analysis
- apply numerical skills in a range of business contexts

The main purpose of this qualification is to prepare students by providing a suitable foundation for the study of business or related courses in Higher Education. A further purpose of this qualification is to prepare students intending to pursue careers or further study in social sciences, as part of a general education. In addition, the qualification aims to develop students' interest in and enthusiasm for the subject and inspire them to take an interest in further study and careers within business.

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4. Assessment

4.1 Forms of assessment

For this qualification students must take all question papers as detailed in the table below.

A Level in Business	
(01) Business activity, marketing and people	
2 hours Written paper Externally assessed 3 sections Students answer all questions 90 marks	<p>Section A: Multiple choice 10 questions from across the component content.</p> <p>Section B: will focus on a case study (either a real business or a fictitious one) on content drawn from this component . These will range from short answer to extended response questions.</p> <p>Section C: will focus on a case study (either a real business or a fictitious one) on content drawn from this component . These will range from short answer to extended response questions.</p>
33.3% of the total A Level	
(02) Operations, finance and external influences	
2 hours Written paper Externally assessed 3 sections Students answer all questions 90 marks	<p>Section A: Multiple choice 10 questions from across the component content.</p> <p>Section B: will focus on a case study (either a real business or a fictitious one) on content drawn from this component . These will range from short answer to extended response questions.</p> <p>Section C: will focus on a case study (either a real business or a fictitious one) on content drawn from this component . These will range from short answer to extended response questions.</p>
33.3% of the total A Level	

A Level in Business	
(03) Strategy, risk and managing change	
2 hours Written paper Externally assessed 2 sections 90 marks	Section A: Multiple choice 10 questions from across the component content. Section B: will focus on a case study (either a real business or a fictitious one) on content drawn from this component . These will range from short answer to extended response questions. Section C: will focus on a case study (either a real business or a fictitious one) on content drawn from this component . These will range from short answer to extended response questions as well as synoptic assessment.
33.3% of the total A Level	

4.2 Assessment of extended response

The assessment materials for this qualification provide students with the opportunity to demonstrate their ability to construct and develop a sustained and coherent line of reasoning and marks for extended responses are integrated into the marking criteria.

4.3 Assessment objectives (AO)

There are four assessment objectives in the OCR Level 3 Advanced GCE in Business and these are detailed in the table below.

Students are expected to:

Assessment Objectives	
AO1	Demonstrate knowledge of terms, concepts, theories, methods and models to show an understanding of how individuals and organisations are affected by, and respond to business issues.
AO2	Apply knowledge and understanding to various business contexts to show how individuals and organisations are affected by and respond to issues
AO3	Analyse issues within business showing an understanding of the impact on individuals and organisations of external and internal influences.
AO4	Evaluate quantitative and qualitative information to make informed judgements and propose evidence-based solutions to business issues.

The relationship between the assessment objectives and the components are shown in the following table:

Component	% of overall A Level in Business			
	AO1	AO2	AO3	AO4
Business activity, marketing and people (H436/01)	7.7	7.7	8.8	8.8
Operations, finance and external influences (H436/02)	7.7	7.7	8.8	8.8
Strategy, risk and managing change (H436/03)	7.7	7.7	8.8	8.8
Total	23.1	23.1	26.4	26.4

4.4 Command words

The table below highlights the command words used in this qualification's assessments.

Key command word	Mark Tariff
State	1
Identify	1
Explain	2-4
Calculate	1-4
Complete	1-4
Analyse	8
Analyse/Recommend	14
Evaluate	14

4.5 Synoptic assessment

Synoptic assessment is the students' understanding of the connections between different elements of the subject. It involves the explicit drawing together of knowledge, skills and understanding from across different parts of the A Level course.

Synoptic assessment is included in the final question in Component 03. This question will include the stem 'Use knowledge and understanding from across your course of study to support your answer' will be used to indicate to students this is a synoptic question and to achieve full marks students will be required to use their knowledge and understanding from across the full course of study.

4.6 Calculating qualification results

A student's overall qualification grade for the A Level in Business will be calculated by adding together their marks from the three question papers taken to give their total weighted mark.

This mark will then be compared to the qualification level grade boundaries for the relevant exam series to determine the student's overall qualification grade.

Further help and support

To find out more, you can also read our:

[Assessment Story](#) where we explain our assessment approach

[Annotated sample assessment material \(SAMs\)](#) where we explain the key points for each exam.

Request trial access to [Teach Cambridge](#) to explore the full range of teacher support or ask your exams officer to set up your account.

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5. Admin

5.1 Before you start

5.1.1 Prior knowledge, learning and progression

No prior knowledge of the subject is required. The specification builds on, but does not depend on, the knowledge, understanding and skills specified for GCSE Business.

Students who are beginning an A Level course are likely to have followed a Key Stage 4 programme of study and as such possess skills in numeracy and literacy. This course will enable students to progress to higher study or to progress directly to employment.

5.1.2 Total qualification time

Total qualification time (TQT) is the total amount of time, in hours, expected to be spent by a student to achieve a qualification. It includes both guided learning hours and hours spent in preparation, study and assessment.

The total qualification time for A Level Business is 360 hours. The total guided learning time is 360 hours.

5.1.3 Overlap with other qualifications

There is overlap between the content of this specification and that for OCR's AS Level in Business to allow for co-teachability.

5.1.4 Qualification availability outside of England

This qualification is available in England. It is also available in Northern Ireland and Wales. (Please note that for delivery in Northern Ireland, the qualification must have approval from the Department of Education. Schools and colleges must seek this before commencing the qualification. For further information please see the DE website). / It is not available in Northern Ireland and Wales.

5.1.5 Language

This qualification is available in English only. All assessment materials are available in English only and all candidate work must be in English.

5.1.6 Assessment availability

There will be one examination series available each year in May/June to **all** students.

This specification will be certificated from the June 2027 examination series onwards.

All examined question papers must be taken in the same examination series at the end of the course.

5.1.7 Special consideration

Special consideration is a post-assessment adjustment to marks or grades to reflect temporary injury, illness or other indisposition at the time the assessment was taken. Detailed information about eligibility for special consideration can be found in the JCQ A guide to the special consideration process.

5.1.8 Malpractice

Any breach of the regulations for the conduct of examinations may constitute malpractice (which includes maladministration) and must be reported to OCR as soon as it is detected. Detailed information on malpractice can be found in the JCQ Suspected Malpractice in Examinations and Assessments: Policies and Procedures.

5.1.9 Access arrangements and reasonable adjustments

Reasonable adjustments and access arrangements allow students with special educational needs, disabilities or temporary injuries to access the assessment and show what they know and can do, without changing the demands of the assessment. Applications for these should be made before the examination series. Detailed information about eligibility for access arrangements can be found in the JCQ Access Arrangements and Reasonable Adjustments.

5.1.10 External assessment arrangements

Regulations governing examination arrangements are contained in the JCQ publication Instructions for conducting examinations.

Students are permitted to use a scientific or graphical calculator for all Components. Calculators are subject to the rules in the document Instructions for Conducting Examinations published annually by [JCQ](#).

5.1.10.1 Private candidates

Private candidates may enter for OCR assessments.

A private candidate is someone who pursues a course of study independently but takes an examination or assessment at an approved examination centre. A private candidate may be a part-time student, someone taking a distance learning course, or someone being tutored privately. They must be based in the UK.

Private candidates need to contact OCR approved centres to establish whether they are prepared to host them as a private candidate. The centre may charge for this facility and OCR recommends that the arrangement is made early in the course.

Further guidance for private candidates may be found on the [OCR website](#).

5.2 Making entries

5.2.1 Pre-assessment

5.2.1.1 Estimated entries

Estimated entries are your best projection of the number of students who will be entered for a qualification in a particular series. Estimated entries should be submitted to OCR by the specified deadline. They are free and do not commit your centre in any way.

5.2.1.2 Final entries

Final entries provide OCR with detailed data for each student, showing each assessment to be taken. It is essential that you use the correct entry code, considering the relevant entry rules.

Final entries must be submitted to OCR by the published deadlines or late entry fees will apply.

All students taking an A Level in Business must be entered for H436.

Entry code	Title	Component code	Component title	Assessment type
H436	Business	01	Business 1: business activity, marketing and people	External Assessment
		02	Business 2: operations, finance and external influences	External Assessment
		03	Business 3: strategy, risk and managing change	External Assessment

5.2.1.3 Collecting evidence of student performance to ensure resilience in the qualifications system

Ofqual has published guidance on collecting evidence of student performance as part of long-term contingency arrangements to improve the resilience of the qualifications system. You should review and consider this guidance when delivering this qualification to students at your centre.

For more detailed information on collecting of evidence of student performance please visit our website at www.ocr.org.uk/administration/general-qualifications/assessment.

5.2.2 Retaking the qualification

Students can retake the qualification as many times as they wish. They retake all components of the qualification.

5.3 After the exams

5.3.1 Results and certificates

5.3.1.1 Grade Scale

A Level qualifications are graded on the scale: A*, A, B, C, D, E, where A* is the highest. Students who do not reach the minimum standard of E will be Unclassified (U). Only subjects in which grades A* to E are attained will be recorded on certificates.

5.3.1.2 Results

Results are released to centres and students for information and to allow any queries to be resolved **before** certificates are issued.

Centres will have access to the following results information for each student:

- The grade for the qualification.
- The raw mark for each component.
- The total weighted mark for the qualification.

The following supporting information will be available:

- Raw mark grade boundaries for each component.
- Weighted mark grade boundaries for the qualification.

Until certificates are issued, results are deemed to be provisional and may be subject to amendment.

A student's final results will be recorded on an OCR certificate. The qualification title will be shown on the certificate as 'OCR Level 3 Advanced GCE in Business'.

5.3.2 Post-results services

A number of post-results services are available:

- **Review of results** – If you are not happy with the outcome of a student's results, centres may request a review of marking.
- **Missing and incomplete results** – This service should be used if an individual subject result for a student is missing, or the student has been omitted entirely from the results supplied.
- **Access to scripts** – Centres can request access to marked scripts.

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