



# Business Management

## Nature of the Subject

Business management is a rigorous and dynamic discipline in the individuals and societies subject group. The course places emphasis on decision-making in contemporary contexts of strategic uncertainty. It examines how business decisions are influenced by internal and external factors, and how these decisions impact upon its stakeholders. Emphasis is also placed on the operational business functions. Links between the topics are central to the course, as this integration promotes a holistic overview of business management. Through the exploration of four concepts underpinning the subject (change, creativity, ethics and sustainability), the course allows students to develop their understanding of interdisciplinary concepts from a business management perspective.

## Distinction between Higher and Standard Level:

The HL course in business and management differs from the SL course in business and management in terms of the:

- extra depth and breadth required (extension units for HL)
- nature of the examination questions

## Syllabus outline

The following four concepts underpin the IBDP business management course: change, creativity, ethics and sustainability. These concepts are explored through real-world resources and are closely linked to subject specific concepts, tools and theories, as outlined in the five modules of the syllabus below:

### Topic 1: Business organization and environment

This module is about business organizations as legal entities, organizational objectives and the different stakeholders affected by business operation. It also introduces business growth and ways to achieve this.

### Topic 2: Human resource management

This module focuses on the way people influence, and are influenced by organizations in order to achieve organizational objectives. Topics covered include recruitment and appraisal methods, organization structure and communication, motivational and leadership theories and industrial relations.

### Topic 3: Finance and accounts

This module explores how organizations manage their financial resources and how accounting and financial information is used to aid decision-making. Topics include investment appraisal, sources of finance, cash flow forecasts, interpretation and construction of financial accounts (profit and loss statements, balance sheets), ratio analysis.

### Topic 4: Marketing

This module emphasizes the formulation of marketing strategies to achieve organizational objectives and in response to the changing environment. Topics covered include the role of marketing and market research in a national/international context, sales forecasting, the development of marketing strategies regarding the product, price, distribution and promotion.

## Topic 5: Operations management

This module focuses on production and explores issues of quality improvement, crisis management, different methods of production and stock control, management information systems and the importance of research and development for businesses.

### **Prior Learning**

The business management course requires no specific prior learning of business management or business studies. No particular background in terms of specific subjects for national or international qualifications is expected or required..

### **Assessment Objectives**

Having followed the Diploma Programme course in business and management, students will be expected to:

1. demonstrate knowledge and understanding of business terminology, concepts, principles and theories
2. apply knowledge and skills to real-world situations and analyze business strategies and practices, selecting and interpreting data, and applying appropriate tools and techniques
3. demonstrate synthetic and evaluative skills
4. select and apply business tools and resources, in order to create and communicate well-structured material using business terminology

### **Teaching Approach**

Business management is a highly interactive course. A variety of teaching methods are employed for the syllabus delivery, in order to accommodate

the students' diverse learning needs and to encourage student participation and interaction. Some of the methods used for content delivery include:

- Lectures
- In-class discussion and activities, such as analysis of cases studies and articles, providing students with the opportunity to explore the real life applicability of the material delivered in class
- Individual/group student presentations and debates, encouraging student interaction and building on their ability to exchange views constructively
- Research projects, encouraging students to become independent learners
- Self/Peer assessment exercises, allowing students to identify attributes in need of strengthening and to become actively responsible for their own learning

The above teaching methods facilitate concept-based and inquiry-based learning.

## **Why students might choose this subject**

The business management course is designed to meet the current and future needs of students who want to develop their knowledge of business content, concepts and tools to assist with business decision making. Future employees, business leaders, entrepreneurs or social entrepreneurs need to be confident, creative and compassionate as change agents for business in an increasingly interconnected global marketplace. The business management course is designed to encourage the development of these attributes.

## Course Assessment

Assessment is an integral part of teaching and learning. Formative assessment (e.g. in class assignments, groupwork) helps students develop their understanding and capabilities. Summative assessment (e.g. revision tests) gives an overview of previous learning and is concerned with measuring student achievement level. The above types of assessment prepares students for the IBDP official assessment components.

The **final Diploma grade** in the subject is determined by external and internal assessment components, in the form of written examination (weight: 70% for SL and 80% for HL) and a business research project (weight: 30% for SL and 20% for HL):

### **1. Internal assessment: Business research project (common for SL and HL)**

A 1800-word research project demonstrating the application of business and management tools, techniques and theory. Candidates are to choose a real-life situation or problem faced by a specific business organization, and approach it through a conceptual lens.

### **2. External assessment: Written examinations**

**Paper 1:** Questions are based on an extended case study (800-1,000 words) related to a contemporary business topic. A pre-released statement that specifies the context and background for the un-seen case study assist in the preparation of the students. Most questions are of qualitative nature.

**Paper 2:** Students respond to structured questions on unseen stimulus material provided. Most questions have a quantitative focus.

**Paper 3 (HL only):** Based on unseen stimulus material about a social enterprise. Students answer questions, including an extended essay-type question, based on the unseen stimulus material.