

Specification updates – AS/A-level Business

Summary of changes for our AS and A-level Business specification for first teaching from September 2023

Following consultation with teachers and educational experts about our AS/A-level Business qualifications, we've made a few changes to our (7131/7132) specification. The changes will affect first AS exams in summer 2024 and A-level exams in summer 2025.

For 2024 we've removed some of the additional models and theories from the subject content and streamlined content to avoid repetition. These changes are listed in the tables below.

The following models and theories have been removed for AS exams in 2024 and A-level exams in 2025:

- The Blake Mouton Grid
- Hackman and Oldham's model of job design
- Kaplan and Norton's balanced scorecard model
- Bowman's strategic clock
- Greiner's model of growth
- Bartlett and Ghoshal's international multi-domestic, transnational and global strategies
- Hofstede's national cultures

The updated specification will be available on our website at [aqa.org.uk/7132](https://www.aqa.org.uk/7132) in the summer term 2023.

Only changes to the subject content are listed in this summary. No other changes have been made to the AS/A-level specification.

Changes to our AS and A-level Business specification for first teaching from September 2023 (first AS exam in 2024 and first A-level exam in 2025)

Section	Page number	Amendment
Contents	3	<p>In the 'Subject content' section, the following headings have been updated:</p> <ul style="list-style-type: none"> • 3.3 Decision making to improve marketing performance • 3.4 Decision making to improve operational performance • 3.5 Decision making to improve financial performance • 3.6 Decision making to improve human resource performance <p>These headings have been changed to:</p> <ul style="list-style-type: none"> • 3.3 Marketing management • 3.4 Operational management • 3.5 Financial management • 3.6 Human resource management <p>This does not change the focus of these sections and the requirement of considering the importance of decision making is still explicitly mentioned in the first bullet point in section 3 under 'Subject content' on page 10.</p>
2.1 Subject content	8	The headings of sections 3, 4, 5 and 6 have been updated. See row above for details.
3.1.1 Understanding the nature and purpose of business	11	The topic 'Common business objectives' has been removed from the 'Content' column. Business objectives are still covered in the 'Additional information' column for the topic 'Why businesses exist'.
3.1.2 Understanding different business forms	11	In the 'Additional information' column, 'such as charities and mutuals' has been removed and 'social enterprises' has been added as a bullet point.

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		In the 'Content' column, 'The effects of ownership on mission, objectives, decisions and performance' has been changed to 'The effects of ownership on mission and objectives'.
3.2.1 Understanding management, leadership and decision making	12	<p>'What managers do' in the 'Content' column has been removed and replaced with 'The distinction between management and leadership'. On this same row, 'The role of managers should include: setting objectives, analysing, leading, making decisions, reviewing' has been removed from the 'Additional information' column.</p> <p>Common leadership styles including 'autocratic', 'paternalistic', 'democratic' and 'laissez-faire' have been added to the 'Additional information' column for the topic 'Types of management and leadership styles and influences on these'.</p> <p>'the Blake Mouton grid' has been removed from the 'Additional information' column.</p>
3.2.2 Understanding management decision making	13	'The use and value of decision trees in decision making' has been moved from the 'Content' column and added to the 'Additional information' column for the topic 'The value of decision making based on data (scientific decision making) and on intuition'.
3.2.3 Understanding the role and importance of stakeholders	13	'Influences on the relationship with stakeholders' has been removed from the 'Content' column.
3.3 Decision making to improve marketing performance	14	The heading of this section has been changed to 'Marketing management'.
3.3.1 Setting marketing objectives	14	The topic 'External and internal influences on marketing objectives and decisions' has been removed from the 'Content' column. This is now covered in section 3.7.1.
3.3.2 Understanding markets and customers	15	<p>'market mapping' has been removed as a bullet point from the 'Additional information' column. This is now covered in section 3.3.3.</p> <p>'Sampling methods should include: random, stratified, quota' has been added to the 'Additional information' column for the topic 'The value of sampling'.</p>

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		'The value of technology in gathering and analysing data for marketing decision making' has been removed from the 'Content' column.
3.3.3 Making marketing decisions: segmentation, targeting, positioning	15	'market mapping' has been added to the 'Additional information' column for the topic 'Influences on choosing a target market and positioning'.
3.3.4 Making marketing decisions: using the marketing mix	16	'Types of consumer goods considered should include convenience, shopping and specialty products' has been removed from the 'Additional information' column for the topic 'The Influences on and effects of changes in the elements of the marketing mix'. 'social media' and 'viral marketing' have been added as bullet points to the 'Additional information' column for the topic 'Decisions about the promotional mix'.
3.4 Decision making to improve operational performance	17	The heading of this section has been changed to 'Operational management'. In the first bullet point, the terms 'automation' and 'robotics' have been added to the content in brackets.
3.4.1 Setting operational objectives	17	'dependability' has been removed as a bullet point from the 'Additional information' column for the topic 'The value of setting operational objectives'. 'External and internal influences on operational objectives and decisions' has been removed from the 'Content' column. This is now covered in section 3.7.1.
3.4.2 Analysing operational performance	17	In the 'Content' column, the topics 'Interpretation of operations data' and 'The use of data in operational decision making and planning' have been removed. The topic 'Calculation of operations data' has been changed to 'The interpretation, calculation and use of operations data in operational decision making and planning'.
3.4.3 Making operational decisions to improve performance: increasing efficiency and productivity	18	'How to utilise capacity efficiently' has been moved from the 'Content' column and added to the 'Additional information' column for the topic 'The importance of capacity'.

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		<p>'How to increase efficiency and labour productivity' has been moved from the 'Content' column and added to the 'Additional information' column for the topic 'The importance of efficiency and labour productivity'.</p> <p>'Difficulties increasing efficiency and labour productivity' has been moved from the 'Content' column and added to the 'Additional information' column for the topic 'The importance of efficiency and labour productivity'.</p> <p>For the topic 'Benefits and difficulties of lean production', the phrase 'Lean production should include 'Just in Time' operations' in the 'Additional information' column has been changed to 'Lean production should include 'Just in Time' operations vs 'Just in Case'.</p>
3.4.4 Making operational decisions to improve performance: improving quality	18	<p>'The importance of quality' has been removed from the 'Content' column.</p> <p>In the 'Additional information' column, 'Methods of improving quality should include quality assurance' has been changed to 'Methods of improving quality should include quality assurance vs quality control'.</p>
3.4.5 Making operational decisions to improve performance: managing inventory and supply chains	19	<p>'Ways and value of improving flexibility, speed of response and dependability' has been removed from the 'Content' column.</p> <p>'An understanding of flexibility should include mass customisation' has been removed from the 'Additional information' column.</p>
3.5 Decision making to improve financial performance	20	The heading of this section has been changed to 'Financial management'.
3.5.1 Setting financial objectives	20	<p>'Revenue, costs and profit objectives' has been moved from the 'Content' column and added to the 'Additional information' column for the topic 'The value of setting financial objectives'.</p> <p>'Cash flow objectives' has been moved from the 'Content' column and added to the 'Additional information' column for the topic 'The value of setting financial objectives'.</p>

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		<p>'An understanding of the proportion of long-term funding that is debt' has been removed from the 'Additional information' column for the topic 'The value of setting financial objectives'.</p> <p>The topics 'Objectives for investment (capital expenditure) levels' and 'Capital structure objectives' have been removed from the 'Content' column.</p> <p>The topic 'External and internal influences on financial objectives and decisions' has been removed from the 'Content' column. This is now covered in section 3.7.1.</p>
3.5.2 Analysing financial performance	21	In the 'Additional information' column, 'Analysing profitability should include...' has been changed to 'Analysing profitability margins should include...' (to provide clarity).
3.5.3 Making financial decisions: sources of finance	21	'crowd funding' has been added as a bullet point to the 'Additional information' column for the topic 'Internal and external sources of finance'.
3.5.4 Making financial decisions: improving cash flow and profits	22	For the topic 'Methods of improving profits and profitability', the phrase 'Students should be able to assess ways of improving profitability' has been changed to 'Students should be able to assess ways of improving profits and profitability'. This is to provide clarity.
3.6 Decision making to improve human resource performance	22	<p>The heading of this section has been changed to 'Human resource management'.</p> <p>In the first bullet point, the term 'tele-working' has been replaced with 'remote working'.</p>
3.6.1 Setting human resource objectives	22	For the topic 'The value of setting human resources objectives', the bullet point 'employee engagement and involvement' in the 'Additional information' column has been changed to 'employee engagement'. In the same section, the bullet point 'alignment of values' has changed to 'alignment of employee and employer values' (to provide clarity).

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		<p>'Methods of achieving human resources objectives' has been added as another topic in the 'Content' column. For this topic, 'Methods should include soft and hard Human Resource Management (HRM) approaches' has been added to the 'Additional information' column.</p> <p>'Internal and external influences on human resources objectives and decisions' has been removed from the 'Content' column. This is now covered in section 3.7.1.</p>
3.6.2 Analysing human resource performance	23	The term 'retention rates' has been removed from the 'Additional information' column for the topic 'Calculating and interpreting human resource data'.
3.6.3 Making human resources decisions: improving organisational design and managing the human resource flow	23	<p>'Influences on job design' has been removed from the 'Content' column and 'Job design to include Hackman and Oldham's model' has been removed from the 'Additional information' column.</p> <p>'Models of organisational structure' has been added as a topic to the 'Content' column and 'Organisational structures to include: functional, product based, regional and matrix structure' has been added to the 'Additional information' column (this has been moved from 3.10.3).</p> <p>'Influences on delegation, centralisation and decentralisation' has been removed from the 'Content' column.</p> <p>In the 'Content' column, the topic 'The value of changing job and organisational design' has changed to 'The value of changing organisational design'.</p>
3.6.4 Making human resource decisions: improving motivation and engagement	24	<p>'Non-financial methods of motivation should include: empowerment, team working, flexible working, job enrichment, job rotation' has been added to the 'Additional information' column for the topic 'How to improve employee engagement and motivation'.</p> <p>The following topics have been removed from the 'Content' column:</p>

Section	Page number	Amendment
		<ul style="list-style-type: none"> • The value of theories of motivation • The use of financial methods of motivation • The use of non-financial methods of motivating employees <p>In the 'Content' column, 'Influences on the choice and assessment of the effectiveness of financial and non-financial reward systems' has been changed to 'Influences on the choice and assessment of the effectiveness of financial and non-financial methods of motivating employees'.</p>
3.7.1 Mission, corporate objectives and strategy	25	<p>The heading of this section has been changed to 'Mission, corporate objectives, functional objectives and strategy'.</p> <p>'Internal and external influences on functional objectives and decisions' has been added as a topic in the 'Content' column.</p>
3.7.3 Analysing the existing internal position of a business to assess strengths and weaknesses: overall performance	26	'Kaplan and Norton's Balanced Scorecard model' has been removed from the 'Additional information' column for the topic 'The value of different measures of assessing business performance'.
3.7.4 Analysing the external environment to assess opportunities and threats: political and legal change	26	The terms 'UK' and 'EU' have been removed from the 'Additional information' column for the topic 'The impact of changes in the political and legal environment on strategic and functional decision making'.
3.7.5 Analysing the external environment to assess opportunities and threats: economic change	27	<p>The following topics have been removed from the 'Content' column:</p> <ul style="list-style-type: none"> • Reasons for greater globalisation of business • The importance of globalisation for business • The importance of emerging economies for business <p>These are now covered in section 3.9.3.</p> <p>'the European union' has been removed from the 'Additional information' column.</p>

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3.7.6 Analysing the external environment to assess opportunities and threats: social and technological change	27	'urbanisation' has been removed from the 'Additional information' column for the topic 'The impact of the social and technological environment on strategic and functional decision making'.
3.7.8 Analysing strategic options: investment appraisal	28	'The value of sensitivity analysis' has been removed from the 'Content' column.
3.8.2 Strategic positioning: choosing how to compete	29	'Bowman's strategic clock' has been removed from the 'Additional information' column for the topic 'How to compete in terms of benefits and price'.
3.9.1 Assessing a change in scale	30	In the 'Content' column, 'How to manage and overcome the problems of growth or retrenchment' has been changed to 'How to manage issues caused by growth and retrenchment'. 'the experience curve' has been removed as a bullet point in the 'Additional information' column. 'Issues with managing growth should include Greiner's model of growth' has been removed from the 'Additional information' column.
3.9.3 Assessing internationalisation	31	The heading of this section has been changed to 'Assessing globalisation and internationalisation'. The following topics have been added to the 'Content' column: <ul style="list-style-type: none"> • Reasons for greater globalisation of business • The importance of globalisation for business • The importance of emerging economies for business 'Managing international business pressures for local responsiveness and pressures for cost reduction' in the 'Content' column has been changed to 'Managing

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		<p>international business'. The bullet points 'pressures for local responsiveness' and 'pressures for cost reduction' have been added to the 'Additional information' column.</p> <p>'Bartlett and Ghoshal's international, multi-domestic, transnational and global strategies' has been removed from the 'Additional information' column.</p> <p>'The impact on internationalisation for the functional areas of the business' has been removed from the 'Content' column.</p>
3.9.4 Assessing greater use of digital technology	31	<p>In the 'Additional information' column, 'Digital technology should include e-commerce, big data, data mining and enterprise resource planning (ERP)' has been changed to 'Digital technology should include automation, e-commerce, big data, data mining'.</p> <p>'The impact of digital technology on the functional areas of the business' has been removed from the 'Content' column.</p>
3.10.2 Managing organisational culture	32	<p>'Hofstede's national cultures' has been removed from the 'Additional information' column for topic 'The importance of organisational culture'.</p>
3.10.3 Managing strategic implementation	33	<p>'The value of leadership in strategic implementation' and 'The value of communications in strategic implementation' has been moved from the 'Content' column to the 'Additional information' column for the topic 'How to implement strategy effectively'.</p> <p>'Organisational structures to include: functional, product based, regional and matrix structure' has been removed from the 'Additional information' column for the topic 'The importance of organisational structure in strategic implementation'. This is now covered in 3.6.3.</p>
3.10.4 Problems with strategy and why strategies fail	33	<p>'The possible effect of the divorce between ownership and control' has been removed from the 'Content' column and 'The effect of the divorce between ownership and control to include corporate governance' has been removed from the 'Additional information' column.</p>

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		'The value of contingency planning' in the 'Content' column has changed to 'The value of contingency planning and crisis management'.