
AS AND A- LEVEL BUSINESS

(DRAFT 7137, 7138)

Specification
For teaching from September 2025 onwards
For AS and A-level exams in 2026 onwards

Version 0.1 29 February 2024

DRAFT SPECIFICATION



DRAFT SPECIFICATION

Contents

| | |
|--|-----------|
| 1 Introduction | 5 |
| 1.1 Why choose AQA for AS and A-level Business | 5 |
| 1.2 Support and resources to help you teach | 6 |
| 1.3 Draft specification | 7 |
| 2 Specification at a glance | 9 |
| 2.1 Subject content | 9 |
| 2.2 Assessments | 9 |
| 3 Subject content | 13 |
| 3.1 Focus: What is business, managing marketing and finance | 14 |
| 3.2 Focus: Managing operations and people | 18 |
| 3.3 Focus: Business and society, business and the external environment, and business strategy (A-level only) | 24 |
| 4 Scheme of assessment | 29 |
| 4.1 Aims | 29 |
| 4.2 Assessment objectives | 30 |
| 4.3 Assessment weightings | 30 |
| 5 General administration | 33 |
| 5.1 Entries and codes | 33 |
| 5.2 Overlaps with other qualifications | 33 |
| 5.3 Awarding grades and reporting results | 33 |
| 5.4 Resits and shelf life | 33 |
| 5.5 Previous learning and prerequisites | 34 |
| 5.6 Access to assessment: diversity and inclusion | 34 |
| 5.7 Working with AQA for the first time | 34 |
| 5.8 Private candidates | 35 |
| 6 Annex: quantitative skills in business | 37 |

Are you using the latest version of this specification?

- You will always find the most up-to-date version of this specification on our website at
- We will write to you if there are significant changes to the specification.

1 Introduction

1.1 Why choose AQA for AS and A-level Business

Dynamic and engaging content

We have a long history and proven track record of providing high quality, successful Business qualifications that we have continued to improve through teacher feedback, operational experience and by working closely with universities and the wider academic community.

By taking a holistic approach to the subject, we demonstrate the interrelated nature of business using business models, concepts and techniques to support analysis of contemporary business issues and situations to provide a dynamic specification.

Our content is designed to engage students through topics and issues that are relevant in today's society – they will study key contemporary developments such as digital technology, impact of business on the environment, business ethics, modern workplace practices and globalisation is covered throughout the topics

Real life skills

Students will develop the knowledge and skills needed to analyse data, think critically about issues and make informed decisions – all skills that are needed for further study and employment.

Assessment success

Our question papers use consistent question types and command words and the same structure across the papers. The question types will drive skills such as problem-solving, decision-making and critical analysis. Real life case studies will be used and all questions will be asked within business context to make it easier for students to relate to and apply their knowledge and skills developed throughout the course.

Teach AS and A-level together

Our AS is fully co-teachable with the first year of A-level, helping you with resourcing and timetabling and providing students with the option to continue studying the full A-level.

Comprehensive support

We offer a comprehensive range of support and resources to support your planning, teaching and assessment of our specifications through direct contact with our business subject team, our website, teacher CPD courses and work with publishers. At AQA, we help your students get the results they deserve, from the exam board you can trust. Learn more about all our Business qualifications at aqa.org.uk/business

You can find out about all our Business qualifications at aqa.org.uk/business

1.2 Support and resources to help you teach

We've worked with experienced teachers to provide you with a range of resources that will help you confidently plan, teach and prepare for exams.

Teaching resources

Visit aqa.org.uk/7138 to see all our teaching resources. They include:

- flexible sample schemes of work to help you plan for course delivery in your own way
- individual teaching guides and lesson slides on specific topic areas to assist you in providing continuity and progression in teaching
- student textbooks and e-learning materials that have been scrutinised by AQA
- training courses to help you deliver AQA Business qualifications
- subject expertise courses for all teachers, from newly qualified teachers who are just getting started to experienced teachers looking for fresh inspiration.

Preparing for exams

Visit aqa.org.uk/7138 for everything you need to prepare for our exams, including:

- past papers, mark schemes and examiner reports
- Exampro: a searchable bank of past AQA exam questions
- example student answers with examiner commentaries.

Analyse your students' results with Enhanced Results Analysis (ERA)

Find out which questions were the most challenging, how the results compare to previous years and where your students need to improve. ERA, our free online results analysis tool, will help you see where to focus your teaching. Register at aqa.org.uk/era

For information about results, including maintaining standards over time, grade boundaries and our post-results services, visit aqa.org.uk/results

Keep your skills up-to-date with professional development

Time in the classroom is precious, but we understand that as your career develops, the skills and knowledge you need may change. As well as subject-specific training, we offer a range of courses to help boost your skills.

- Feedback sessions to understand how students have performed in this year's exams.
- Virtual communities where you can chat to teachers in your subject area about what's important to you.

This is just the start. Our events calendar is full of different ways for you to learn, understand and be inspired. Find out more at aqa.org.uk/professional-development.

Help and support

Visit our website for information, guidance, support and resources at aqa.org.uk/7138

If you'd like us to share news and information about this qualification, sign up for emails and updates at aqa.org.uk/from-2017

Alternatively, you can call or email our subject team direct.

E: business-studies@aqa.org.uk

T: 01483 477 862

1.3 Draft specification

This draft qualification has not yet been accredited by Ofqual. It is published to enable teachers to have early sight of our proposed approach to AS and A-level Business. Further changes may be required and no assurance can be given that this proposed qualification will be made available in its current form, or that it will be accredited in time for first teaching in September 2025 and first award in August 2026.

DRAFT SPECIFICATION

2 Specification at a glance

This qualification is linear. Linear means that students will sit all their exams at the end of the course.

2.1 Subject content

3.1 [Focus: What is business, managing marketing and finance](#) (page 14)

- 3.1.1 [Business and objectives](#) (page 14)
- 3.1.2 [Forms of business and stakeholders](#) (page 14)
- 3.1.3 [Marketing management](#) (page 14)
- 3.1.4 [Financial management](#) (page 16)

3.2 [Focus: Managing operations and people](#) (page 18)

- 3.2.1 [Operations management](#) (page 18)
- 3.2.2 [People management](#) (page 21)
- 3.2.3 [Managing business culture \(A-level\)](#) (page 24)

3.3 [Focus: Business and society, business and the external environment, and business strategy \(A-level only\)](#) (page 24)

- 3.3.1 [Business and society](#) (page 24)
- 3.3.2 [Business and the external environment](#) (page 25)
- 3.3.3 [Strategy](#) (page 25)
- 3.3.4 [Change](#) (page 27)

2.2 Assessments

AS

| Paper 1 |
|--|
| <p>What's assessed</p> <p>AS content in sections 3.1.1, 3.1.2, 3.1.3 and 3.1.4</p> |
| <p>How it's assessed</p> <ul style="list-style-type: none"> • Written exam: 1 hour 45 minutes • 80 marks • 50% of AS |
| <p>Questions</p> <p>Two case studies. Each case study will be followed by six compulsory questions worth 40 marks in total.</p> |



| Paper 2 |
|--|
| What's assessed AS content in sections 3.1.1, 3.1.2, 3.2.1 and 3.2.2 (The subject content in Focus 3.1 underpins the context for Focus 3.2) |
| How it's assessed <ul style="list-style-type: none">• Written exam: 1 hour 45 minutes• 80 marks• 50% of AS |
| Questions Two case studies. Each case study will be followed by six compulsory questions worth 40 marks in total. |

A-level

| Paper 1 |
|--|
| What's assessed Focus 3.1 |
| How it's assessed <ul style="list-style-type: none">• Written exam: 2 hours• 90 marks• 33.3% of A-level |
| Questions Two case studies. Each case study will be followed by five compulsory questions worth 45 marks in total. |



| Paper 2 |
|---|
| <p>What's assessed</p> <p>Focus 3.2 (The subject content in Focus 3.1 will underpin the context for Focus 3.2)</p> |
| <p>How it's assessed</p> <ul style="list-style-type: none"> • Written exam: 2 hours • 90 marks • 33.3% of A-level |
| <p>Questions</p> <p>Two case studies. Each case study will be followed by five compulsory questions worth 45 marks in total.</p> |



| Paper 3 |
|---|
| <p>What's assessed</p> <p>Focus 3.3 (The subject content in Focus 3.1 and 3.2 will underpin the context for Focus 3.3)</p> |
| <p>How it's assessed</p> <ul style="list-style-type: none"> • Written exam: 2 hours • 90 marks • 33.3% of A-level |
| <p>Questions</p> <p>Two case studies. Each case study will be followed by five compulsory questions worth 45 marks in total.</p> |

3 Subject content

Students of this course should study business in a variety of contexts (eg large/small, UK-focused/global, service/manufacturing) and consider:

- the importance of the context of business in relation to decision-making
- the interrelated nature of business activities and how they affect competitiveness
- the competitive environment and the markets in which businesses operate
- the influences on functional decisions and plans including ethical and environmental issues
- the factors that might determine whether a decision is successful eg the quality of data and the degree of uncertainty
- how technology is changing the way decisions are made and how businesses operate and compete
- the impact on stakeholders of business decisions and their response to such decisions
- use of non-quantitative and quantitative data in decision-making (including the interpretation of index numbers and calculations such as ratios and percentages). See [Annex: quantitative skills in business](#) (page 37)

Strategic decision-making (A-level only)

The study of strategic decision-making should build on the study of decision-making in the functional areas.

Students should consider:

- the influences of Environmental, Social and Governance (ESG), Corporate Social Responsibility, ethical and environmental issues on strategic decisions
- the impact of technological change on strategic decision-making
- the actions of stakeholders and the impact of those actions on strategic decisions
- the difficulties in forecasting future trends
- the importance of assessing feasibility and risk when making strategic decisions

The topics lend themselves to studying and engaging with the business world. The specification and assessment should encourage students to follow business developments and think critically about contemporary business issues. The assessment material is based on real business situations. By examining and thinking critically about real business situations as they study the subject, students will gain an insight into different contexts which will help them to understand the key issues in any situation and compare and contrast this with other situations and apply their understanding.

3.1 Focus: What is business, managing marketing and finance

3.1.1 Business and objectives

| Content | Additional information |
|---------------------|---|
| Entrepreneurs | <ul style="list-style-type: none"> • reasons for setting up in business • challenges of setting up in business • characteristics of entrepreneurs • change in role of entrepreneurs as business grows |
| Business planning | <ul style="list-style-type: none"> • purpose and value of a business plan • importance of competitiveness |
| Business objectives | <ul style="list-style-type: none"> • purpose and value of setting business objectives |

3.1.2 Forms of business and stakeholders

| Content | Additional information |
|-----------------------------|--|
| Different forms of business | <ul style="list-style-type: none"> • sole traders • private limited companies • public limited companies • co-operatives • social enterprises <p>Interpret and analyse:</p> <ul style="list-style-type: none"> • market capitalisation • share price changes • dividends • dividend yield |
| Stakeholders | <ul style="list-style-type: none"> • the impact of business activity on stakeholders |

3.1.3 Marketing management

Students should consider the following throughout this section:

- how developments in technology are affecting marketing decision-making and activities
- ethical and environmental influences on marketing decisions
- market conditions and competition
- how marketing decisions help improve competitiveness
- the interrelationship between marketing decisions and other functions.

| Content | Additional information |
|---|---|
| Identifying/anticipating customer needs | <ul style="list-style-type: none"> • purpose and value of market research • primary and secondary market research • quantitative and qualitative research • influences on how market research is conducted including confidence level |
| Markets and marketing data | <ul style="list-style-type: none"> • implications for marketing of different types of markets: business to business (B2B), business to consumer (B2C), consumer to consumer (C2C), goods vs services • the implications for business of different degrees of competition in a market <p>Interpret, calculate and analyse:</p> <ul style="list-style-type: none"> • market size including market segment size • market and sales growth • market share • price and income elasticity of demand <p>Interpret and analyse:</p> <ul style="list-style-type: none"> • sales volume and sales value • sales data eg sales per region/product/store • positive and negative, strong and weak correlation <p>Analysis of marketing data should include index numbers, calculating percentages and percentage changes</p> |
| Target market | <ul style="list-style-type: none"> • market segmentation • influences on choosing and entering a target market • niche and mass markets • adapting the market mix for the target market |
| Marketing planning | <ul style="list-style-type: none"> • marketing objectives • marketing budget and return on marketing spend • marketing and competitiveness |
| Marketing mix: product | <ul style="list-style-type: none"> • the product lifecycle model, including extension strategies • product portfolio analysis (the Boston Matrix: dogs, cash cows, question marks and stars) |

| Content | Additional information |
|--|---|
| Marketing mix: price | <ul style="list-style-type: none"> influences on price forms of pricing including penetration pricing, price skimming, competitive pricing and dynamic pricing |
| Marketing mix: distribution (place) | <ul style="list-style-type: none"> direct distribution including e-commerce indirect distribution including wholesalers and retailers multi-channel distribution benefits and challenges of different distribution channels |
| Marketing mix: promotional mix | <ul style="list-style-type: none"> advertising account managers and sales team sponsorship brand and brand loyalty social media and influencers influences on the promotional mix |
| Digital technology and marketing | <ul style="list-style-type: none"> digital marketing eg search engine optimisation (SEO), pay per click (PPC), content marketing, number of users/subscribers, advertising revenue Customer Relationship Management (CRM), customer acquisition, customer retention, lead generation and conversion purpose and value of data analytics for marketing influence of digital technology on marketing activities |
| International marketing (A-level only) | <ul style="list-style-type: none"> purpose and value of marketing internationally adapting the marketing mix for international markets |
| Ethical issues in marketing (A-level only) | <ul style="list-style-type: none"> product, promotional and pricing decisions |

3.1.4 Financial management

Students should consider the following throughout this section:

- market conditions and competition
- ethical and environmental influences on financial decisions
- how decisions in finance improve the competitiveness of the business

- the value of financial statements and financial ratio analysis when assessing business performance, including limitations e.g. non-financial factors, historic data
- the interrelationship between financial decisions and other functions.

| Content | Additional information |
|-------------------------|---|
| Sources of finance | <ul style="list-style-type: none"> • retained profits • sale of assets • trade credit • share capital • bank overdraft • loans • business angels • private equity • crowd funding |
| Break-even | <ul style="list-style-type: none"> • interpret and analyse fixed costs, variable costs, revenue (sales or turnover), break-even output, margin of safety, contribution per unit and total contribution • construct, interpret and analyse break-even charts • calculate, illustrate on a break-even chart and analyse the effects of changes in price, output and costs • the value of break-even analysis |
| Cash flow and liquidity | <ul style="list-style-type: none"> • importance of cash and liquidity • payables and receivables • purpose and value of cash flow forecasting • construct, interpret and analyse cash flow forecasts • methods and difficulties of improving cash flow including debt factoring. <p>Interpret, calculate and analyse:</p> <ul style="list-style-type: none"> • payables days and receivables days • current ratio • acid test ratio |

| Content | Additional information |
|--|---|
| Profit and profitability | <ul style="list-style-type: none"> • income statements (profit and loss) • profit vs profitability • methods and difficulties of improving profits and profitability <p>Interpret, calculate and analyse:</p> <ul style="list-style-type: none"> • revenue (sales, turnover) • gross profit, profit from operations, net profit and profit for the year margins <p>Analysis of financial data should include index numbers, calculating percentages and percentage changes</p> |
| Budgets | <ul style="list-style-type: none"> • purpose and value of budgeting including zero-based budgeting • variance analysis (adverse and favourable variances) |
| Financial reporting | <ul style="list-style-type: none"> • statement of financial position (balance sheet) <p>Interpret, calculate and analyse:</p> <ul style="list-style-type: none"> • return on capital employed • gearing • limitations of financial reporting |
| Ethical issues in Finance (A-level only) | <ul style="list-style-type: none"> • tax avoidance and evasions • payment terms for customers and suppliers |

3.2 Focus: Managing operations and people

3.2.1 Operations management

Students should consider the following throughout this section:

- how developments in technology are affecting decision-making and activities in operations
- ethical and environmental influences on operations decisions
- market conditions and competition
- how decisions in operations improve the competitiveness of a business
- the interrelationship between operational decisions and other functions.

| Content | Additional information |
|---|---|
| Managing operations | <ul style="list-style-type: none"> • how a business adds value • importance of operations to business competitiveness |
| Operations data: objectives and key performance indicators (KPIs) | <p>Interpret, calculate and analyse:</p> <ul style="list-style-type: none"> • costs/unit costs • measures of output/ employee productivity/employee performance • resource utilisation (including capacity utilisation) <p>Interpret, calculate and analyse:</p> <ul style="list-style-type: none"> • quality of the product or service including wait times, returns, complaints, speed of response, delivery times • environmental impact and sustainability <p>Analysis of operations data should include index numbers, calculating percentages and percentage changes</p> |
| Efficiency | <p>Ways of improving resource utilisation and efficiency including</p> <ul style="list-style-type: none"> • improved capacity utilisation, lean production, reducing wastage, recycling, reuse of materials • effective scheduling, improving workflow and operations processes, improving employee productivity/performance • cost control • ways of, and challenges, of increasing efficiency |
| Quality | <ul style="list-style-type: none"> • measures of product and process quality including defects, errors, returns, customer service ratings, delays • costs of poor quality • quality assurance • quality control • benefits and difficulties of improving quality |
| Environmental impact of operations | <ul style="list-style-type: none"> • purpose and value of more sustainable operations • ways of, and challenges of, reducing environmental impact |

| Content | Additional information |
|---------------------------|---|
| Matching output to demand | <ul style="list-style-type: none"> • impact of changes in demand including seasonal or peak demand • capacity and production scheduling • use of part time and temporary labour vs full time and permanent • outsourcing • investment in capital and technology |
| Supply chain management | <ul style="list-style-type: none"> • deciding whether to produce internally or buy in • sourcing supplies: choice of and number of suppliers • managing the supply chain and relationships with suppliers • purpose and value of managing procurement • purpose and value of managing logistics from suppliers and to customer • supply chain transparency • supplier code of conduct and supplier audits • supplier third party accreditations |
| Inventory management | <ul style="list-style-type: none"> • purpose and value of inventory management • influences on the amount of inventory held • 'just in time' operations vs 'just in case' <p>Interpret, calculate and analyse:</p> <ul style="list-style-type: none"> • inventory turnover |
| Innovation | <ul style="list-style-type: none"> • continuous improvement • new product/process development (including research and development) • intellectual property: patents and copyrights |
| Scale of operations | <ul style="list-style-type: none"> • economies of scale: technical, purchasing and financial • diseconomies of scale: control, communication and coordination |

| Content | Additional information |
|-------------------------------------|---|
| Project management | <ul style="list-style-type: none"> • purpose and value of project management • network analysis <p>Network analysis to include:</p> <ul style="list-style-type: none"> • understanding and interpreting network diagrams • amending network diagrams • identifying the critical path and total float |
| Digital technology and operations | <ul style="list-style-type: none"> • inventory management • supply chain management • automation |
| Ethics in operations (A-level only) | <ul style="list-style-type: none"> • supply chain code of ethics • responsible sourcing • product safety • impact of operations on the environment |

3.2.2 People management

Students should consider the following throughout this section:

- how developments in technology are affecting decision-making and activities in relation to human resources
- ethical and environmental influences on human resources decisions
- market conditions (including the labour market) and competition
- how human resource decisions help improve the competitiveness of a business
- the interrelationship between human resource decisions and other functions.

| Content | Additional information |
|-------------------------|--|
| Human resource planning | <ul style="list-style-type: none"> • human resource planning: responding to skills gaps and employee shortages, training, redundancies • number and skills of employees • equality, diversity, inclusion and belonging • employee wellbeing • employee representation • flexible employment: part-time, temporary, zero hours, freelance, remote working |

| Content | Additional information |
|--|--|
| Human resource data: objectives and KPIs | <p>Interpret, calculate and analyse:</p> <ul style="list-style-type: none"> • employee productivity/performance • employee turnover • employee costs (as a percentage of turnover and per unit) <p>Analysis of human resource data should include index numbers, calculating percentages and percentage changes</p> |
| Organisational design | <ul style="list-style-type: none"> • organisational structure: functional, product, regional, matrix structures, tall vs flat • centralisation and decentralisation • restructuring including delayering |
| Leadership | <ul style="list-style-type: none"> • impact of leadership on individual, team and organisational performance • influences on and impact of different leadership styles including autocratic, democratic, transformational |
| Developing people | <ul style="list-style-type: none"> • importance of people to competitiveness • talent management • developing creativity |
| Teamwork | <ul style="list-style-type: none"> • purpose and value of teams • factors influencing the effectiveness of teams |
| Motivation | <ul style="list-style-type: none"> • benefits and challenges of motivating employees • theories of motivation: Taylor, Maslow and Herzberg |

| Content | Additional information |
|-------------------------------------|--|
| Methods of rewarding people | <p>Direct remuneration:</p> <ul style="list-style-type: none"> • wages and salaries • piece rate • commission • bonus • performance-related pay • shares <p>Indirect remuneration including healthcare and pension contributions</p> <p>Non-financial methods including</p> <ul style="list-style-type: none"> • empowerment • flexible and hybrid working |
| Employee wellbeing | <ul style="list-style-type: none"> • methods of improving employee wellbeing including physical and mental health support services, inclusive work environment, employee voice, flexible working • benefits and challenges of improving employee wellbeing |
| Employer and employee relations | <ul style="list-style-type: none"> • purpose and value of employee representation/employee voice and involvement in decision-making • individual and collective representation (including trade unions and employee forums) |
| Digital technology and HR | <ul style="list-style-type: none"> • remote working • impact on recruitment processes |
| Ethical issues in HR (A-level only) | <ul style="list-style-type: none"> • equality, diversity, inclusion and belonging • pay gaps: gender and between senior managers and other employees • ethics of different methods of rewarding people • employee code of ethics/conduct |

3.2.3 Managing business culture (A-level)

| Content | Additional information |
|--|--|
| Business values and culture (A-level only) | <ul style="list-style-type: none"> • purpose and importance of business values • factors shaping business culture • the importance and benefit of positive business culture • the challenges of negative business culture • the reasons for, and problems of, changing business culture • links between HR decisions and business values and culture |

3.3 Focus: Business and society, business and the external environment, and business strategy (A-level only)

3.3.1 Business and society

| Content | Additional information |
|--|---|
| Corporate Social Responsibility (CSR) | <ul style="list-style-type: none"> • purpose and value of Corporate Social Responsibility • Carroll's Corporate Social Responsibility pyramid • shareholder vs stakeholder approach • CSR vs PR (eg Greenwashing, Bluewashing) |
| Environmental, social and governance (ESG) | <ul style="list-style-type: none"> • measures of Environmental, Social and Governance (ESG) performance including health and safety, emissions, resource usage, community investment and philanthropy, composition of governing body • value of ESG reporting • value of improving ESG performance • value of code of ethics/ethical conduct • Triple Bottom Line (Profit, People, Planet) |

3.3.2 Business and the external environment

| Content | Additional information |
|-----------------------------|---|
| Competitive environment | <ul style="list-style-type: none"> • impact of, and how to influence Porter's five forces |
| Political/legal environment | <p>The opportunities and threats, and the impact on the functional areas of business, created by changes in the political and legal environment.</p> <ul style="list-style-type: none"> • trade agreements • protectionism: tariffs, quotas, trade regulations • consumer protection • employee protection (including The Equality Act) • competition policy • environmental protection |
| Economic environment | <p>The opportunities and threats, and the impact on the functional areas of business, created by changes in the economic environment:</p> <ul style="list-style-type: none"> • economic growth (GDP) • taxation (direct and indirect) • inflation • interest rates • exchange rates • unemployment |
| Social environment | <p>The opportunities and threats, and the impact on the functional areas of business, created by changes in the social environment:</p> <ul style="list-style-type: none"> • demographic factors • consumer lifestyle/behaviour • activism |
| Technological change | <p>The opportunities and threats, and the impact on the functional areas of business, created by changes in the technological environment including:</p> <ul style="list-style-type: none"> • disruptive technologies including Artificial Intelligence (AI) |

3.3.3 Strategy

| Content | Additional information |
|----------|---|
| Strategy | <ul style="list-style-type: none"> • purpose and value of strategy |

| Content | Additional information |
|---------------------------------------|--|
| Influences on strategy | <ul style="list-style-type: none"> • mission, vision and objectives • SWOT analysis • stakeholder mapping: stakeholder power and interest • actions of stakeholders and impact on business decisions |
| Selecting a strategy | <ul style="list-style-type: none"> • the Ansoff Matrix (market development, market penetration, new product development, diversification) • positioning in terms of benefits and price including low-cost vs differentiation strategies |
| Implementation of strategic decisions | <ul style="list-style-type: none"> • factors affecting the successful implementation of strategy • the difficulties of maintaining a competitive advantage • reasons why strategies fail, including strategic drift |
| Strategic investment decisions | <ul style="list-style-type: none"> • purpose and value of investment/capital expenditure • factors influencing investment including non-financial factors and risk • the calculation, interpretation and analysis of data relating to payback, average rate of return and net present value |
| Business growth | <ul style="list-style-type: none"> • advantages and disadvantages of being a small or medium sized enterprise (SME) • reasons why business grow • internal growth and external growth • methods of growth including mergers, acquisitions and franchising • forms of integration: vertical (backward and forward), horizontal and conglomerate • digital growth • retrenchment • impact of growth and retrenchment on functional areas |

| Content | Additional information |
|------------------------|--|
| Globalisation strategy | <ul style="list-style-type: none"> opportunities and threats of globalisation for a business benefits and drawbacks of being a multinational attractiveness of different countries as a market entering international markets: exporting, licensing, joint ventures, direct investment factors affecting the degree of globalisation reasons for, and challenges of, producing abroad attractiveness of different countries as a production base impact of global strategy on functional areas |
| Digital strategy | <ul style="list-style-type: none"> benefits and challenges of a digital strategy impact of a digital strategy on functional areas |

3.3.4 Change

| Content | Additional information |
|---------|---|
| Change | <ul style="list-style-type: none"> types of change: internal, external, transformational drivers of change benefits of change problems of change including Kotter and Schlesinger's reasons for resistance to change management of change including Lewin's Force Field analysis developing an agile organisation |

| Content | Additional information |
|----------------------|--|
| Risk and uncertainty | <ul style="list-style-type: none">• types of risk: financial, operational (eg cyber security), reputational and strategic• importance of risk management – assessing and planning for risk• methods of mitigating risk including contingency planning and crisis management• methods of reducing uncertainty including scenario planning and forecasting• benefits and challenges of reducing risk and uncertainty |

4 Scheme of assessment

Find past papers and mark schemes, and specimen papers for new courses, on our website at aqa.org.uk/pastpapers

The AS specification is designed to be taken over one or two years with all assessments taken at the end of the course. The A-level specification is designed to be taken over two years with all assessments taken at the end of the course.

Assessments and certification for the AS specification are available for the first time in May/June 2026 and then every May/June for the life of the specification.

Assessments and certification for the A-level specification are available for the first time in May/June 2027 and then every May/June for the life of the specification.

These are linear qualifications. In order to achieve the award, students must complete all exams in May/June in a single year. All assessments must be taken in the same series.

All materials are available in English only.

Our AS and A-level exams in Business include questions that allow students to demonstrate their ability to:

- draw together their knowledge, skills and understanding from across the full course of study
- provide extended responses.

For example the 15 mark questions in all papers are extended response questions which require a student to draw together different areas of the specification to reach a decision and/or make a recommendation. An extended response is evidence generated by a student which is of sufficient length to allow that student to demonstrate the ability to construct and develop a sustained line of reasoning which is coherent, relevant, substantiated and logically structured.

4.1 Aims

Courses based on this specification must encourage students to:

- develop an enthusiasm for studying business
- gain 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 environmental and 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.

4.2 Assessment objectives

Assessment objectives (AOs) are set by Ofqual and are the same across all AS and A-level Business specifications and all exam boards.

The exams will measure how students have achieved the following 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.

Assessment objective weightings for AS Business

| Assessment objectives (AOs) | Component weightings (approx %) | | Overall weighting (approx %) |
|---------------------------------|---------------------------------|---------|------------------------------|
| | Paper 1 | Paper 2 | |
| AO1 | 16.25 | 16.25 | 32.5 |
| AO2 | 13.75 | 13.75 | 27.5 |
| AO3 | 10 | 10 | 20 |
| AO4 | 10 | 10 | 20 |
| Overall weighting of components | 50 | 50 | 100 |

Assessment objective weightings for A-level Business

| Assessment objectives (AOs) | Component weightings (approx %) | | | Overall weighting (approx %) |
|---------------------------------|---------------------------------|---------|---------|------------------------------|
| | Paper 1 | Paper 2 | Paper 3 | |
| AO1 | 8.14 | 8.14 | 8.14 | 24.44 |
| AO2 | 8.14 | 8.14 | 8.14 | 24.44 |
| AO3 | 8.89 | 8.89 | 8.89 | 26.66 |
| AO4 | 8.14 | 8.14 | 8.14 | 24.44 |
| Overall weighting of components | 33.3 | 33.3 | 33.3 | 100 |

4.3 Assessment weightings

The marks awarded on the papers will be scaled to meet the weighting of the components. Students' final marks will be calculated by adding together the scaled marks for each component. Grade boundaries will be set using this total scaled mark. The scaling and total scaled marks are shown in the table below.

AS

| Component | Maximum raw mark | Scaling factor | Maximum scaled mark |
|--------------------|------------------|----------------|---------------------|
| Paper 1 | 80 | x1 | 80 |
| Paper 2 | 80 | x1 | 80 |
| Total scaled mark: | | | 160 |

A-level

| Component | Maximum raw mark | Scaling factor | Maximum scaled mark |
|--------------------|------------------|----------------|---------------------|
| Paper 1 | 90 | x1 | 90 |
| Paper 2 | 90 | x1 | 90 |
| Paper 3 | 90 | x1 | 90 |
| Total scaled mark: | | | 270 |

5 General administration

You can find information about all aspects of administration, as well as all the forms you need, at aqa.org.uk/examsadmin

5.1 Entries and codes

You only need to make one entry for each qualification – this will cover all the question papers, non-exam assessment and certification.

Every specification is given a national discount (classification) code by the Department for Education (DfE), which indicates its subject area.

If a student takes two specifications with the same discount code, further and higher education providers are likely to take the view that they have only achieved one of the two qualifications. Please check this before your students start their course.

| Qualification title | AQA entry code | DfE discount code |
|---|----------------|---------------------------|
| AQA Advanced Subsidiary GCE in Business | 7137 | 3210 (post-16), AA3 (KS4) |
| AQA Advanced Level GCE in Business | 7138 | 3210 |

This specification complies with:

- Ofqual *General conditions of recognition* that apply to all regulated qualifications
- Ofqual GCE qualification level conditions that apply to all GCEs
- Ofqual GCE subject level conditions that apply to all GCEs in this subject
- all other relevant regulatory documents.

The Ofqual qualification accreditation number (QAN) is TBC.

5.2 Overlaps with other qualifications

There is overlapping content in the AS and A-level Business specifications. This helps you teach the AS and A-level together.

5.3 Awarding grades and reporting results

The A-level qualification will be graded on a six-point scale: A*, A, B, C, D and E.

Students who fail to reach the minimum standard for grade E will be recorded as U (unclassified) and will not receive a qualification certificate.

5.4 Resits and shelf life

Students can resit the qualification as many times as they wish, within the shelf life of the qualification.

5.5 Previous learning and prerequisites

There are no previous learning requirements. Any requirements for entry to a course based on this specification are at the discretion of schools and colleges.

However, we recommend that students should have the skills and knowledge associated with a GCSE Business or equivalent.

5.6 Access to assessment: diversity and inclusion

General qualifications are designed to prepare students for a wide range of occupations and further study. Therefore our qualifications must assess a wide range of competences.

The subject criteria have been assessed to see if any of the skills or knowledge required present any possible difficulty to any students, whatever their ethnic background, religion, sex, age, disability or sexuality. Tests of specific competences were only included if they were important to the subject.

As members of the Joint Council for Qualifications (JCQ) we participate in the production of the JCQ document *Access Arrangements and Reasonable Adjustments: General and Vocational qualifications*. We follow these guidelines when assessing the needs of individual students who may require an access arrangement or reasonable adjustment. This document is published at jcq.org.uk

Students with disabilities and special needs

We're required by the Equality Act 2010 to make reasonable adjustments to remove or lessen any disadvantage that affects a disabled student.

We can make arrangements for disabled students and students with special needs to help them access the assessments, as long as the competences being tested aren't changed. Access arrangements must be agreed **before** the assessment. For example, a Braille paper would be a reasonable adjustment for a Braille reader.

To arrange access arrangements or reasonable adjustments, you can apply using the online service at aqa.org.uk/eaqa

Special consideration

We can give special consideration to students who have been disadvantaged at the time of the assessment through no fault of their own – for example a temporary illness, injury or serious problem such as family bereavement. We can only do this **after** the assessment.

Your exams officer should apply online for special consideration at aqa.org.uk/eaqa

For more information and advice visit aqa.org.uk/access or email accessarrangementsqueries@aqa.org.uk

5.7 Working with AQA for the first time

If your school or college hasn't previously offered our specifications, you need to register as an AQA centre. Find out how at aqa.org.uk/becomeacentre

5.8 Private candidates

This specification is available to private candidates.

A private candidate is someone who enters for exams through an AQA approved school or college but is not enrolled as a student there.

A private candidate may be self-taught, home schooled or have private tuition, either with a tutor or through a distance learning organisation. They must be based in the UK.

If you have any queries as a private candidate, you can:

- speak to the exams officer at the school or college where you intend to take your exams
- visit our website at aqa.org.uk/privatecandidates
- email privatecandidates@aqa.org.uk

6 Annex: quantitative skills in business

In order to be able to develop their skills, knowledge and understanding in business, students 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.**

Quantitative skills not in bold do not form part of the AS core content requirement; however, an exam board may include them in their AS specifications.

The assessment of quantitative skills will include at least level 2 mathematical skills as a minimum of 10% of the overall AS marks and as a minimum of 10% of the overall A-level marks.

These quantitative skills may be assessed across the assessment objectives.

Get help and support

Visit our website for information, guidance, support and resources at

You can talk directly to the Business subject team:

E: business-studies@aqa.org.uk

T: 01483 477 862

DRAFT SPECIFICATION