GAC012 Business II: Business Studies

GAC Business

What this module is, and how it is marked

GAC012 is the Level II business module, and it is the elective universities credit most often after calculus. Seven units take you from what a business is, through the economics acting on it from outside, to planning, management, employment relations and marketing.

Assessment is written and applied: an **in-class test** 课堂测验, a **business research task** 商业研究任务 investigating a real firm, a **report** 报告 or presentation of the findings, and **coursework** 平时作业.

- **Format is part of the mark.** A report has sections and headings; an essay does not. Using the wrong one costs marks even when the analysis is sound.
- △ Every claim about a real business needs a **source**. “Alibaba is profitable” is an assertion; “Alibaba reported a net income of X in its 2024 annual report” is evidence.

Introduction to business: what do businesses do?

A **business** 企业 combines resources to produce goods or services that people will pay for.

- **Factors of production** 生产要素 are land, labour, capital and enterprise.
- The **primary sector** 第一产业 extracts, the **secondary sector** 第二产业 manufactures, and the **tertiary sector** 第三产业 provides services.
- Ownership shapes everything else: a **sole trader** 个体经营 has unlimited liability; a **partnership** 合伙企业 shares it; a **limited company** 有限公司 separates the owners’ money from the firm’s.
- **Stakeholders** 利益相关者 are everyone affected — owners, employees, customers, suppliers, the community — and their interests genuinely conflict.

Worked example. A café raises wages by 15%.

The employees gain. The owner’s profit falls. Customers may face higher prices. Suppliers are unaffected. A stakeholder question is marked on naming *who* and saying *how much it matters to them*, not on listing everyone you can remember.

External sources of change: introductory economics

- **Demand** 需求 is how much buyers will buy at each price; **supply** 供给 is how much sellers will sell. Where they meet is the **equilibrium** 均衡.
- Price is not the only thing that moves demand. Income, tastes, the price of substitutes and expectations all shift the whole curve.
- **Elasticity** 弹性 measures how strongly quantity responds to price. Essentials are **inelastic** 缺乏弹性 — raise the price and revenue rises.
- **Competition** 竞争 ranges from many small firms to a **monopoly** 垄断 with one.

External and internal sources of change

- External change is what a firm cannot control: the economy, the law, technology, society, the environment.
- Internal change is what it can: its structure, its products, its people, its finance.
- **PEST analysis** PEST 分析 sorts the external — political, economic, social, technological.
- **SWOT analysis** SWOT 分析 sets internal strengths and weaknesses against external opportunities and threats. △ Strengths are internal; opportunities are external. Mixing the two is the commonest SWOT error.

Planning

- A **business plan** 商业计划书 states what the business will do, for whom, and with what money.
- **Objectives** 目标 must be measurable, or the plan cannot be judged later.
- A **cash flow forecast** 现金流预测 tracks money in and out by month. A profitable business with no cash still fails, which is why the forecast is separate from the profit calculation.
- **Break-even** 盈亏平衡 is where revenue covers total cost: break-even $= \dfrac{\text{fixed costs}}{\text{price} - \text{variable cost per unit}}$.

Worked example. Fixed costs are 60,000 yuan a year. Each unit sells for 25 and costs 10 to make.

$$\frac{60\,000}{25-10} = 4\,000 \text{ units}$$

Above 4,000 units the business is profitable. The subtraction in the denominator is the **contribution** 边际贡献 per unit, and naming it is what shows you understand the formula rather than having memorised it.

Effective management practice

- **Management** 管理 is planning, organising, leading and controlling.
- **Motivation** 激励 theories differ in what they think moves people: pay, recognition, the work itself. Which one a manager believes decides what they change.
- **Delegation** 授权 passes authority down, and the responsibility stays up.
- An **organisational structure** 组织结构 can be **flat** 扁平 (few layers, fast decisions) or **tall** 层级多 (many layers, clearer promotion).

Support services: employment relations

- A **contract of employment** 劳动合同 sets out duties, hours, pay and notice.
- **Recruitment** 招聘 selects; **training** 培训 develops; **appraisal** 绩效评估 reviews.
- **Industrial relations** 劳资关系 is the relationship between employer and employees, collectively.
- **Employment law** 劳动法 sets minimums a contract cannot go below — hours, safety, notice, discrimination — and those minimums differ by country, which matters for GAC022.

Support services: marketing

- **Marketing** 市场营销 identifies what customers want and delivers it profitably. It is not advertising; advertising is one part of it.
- The **marketing mix** 营销组合 is the four Ps: product, price, place, promotion.
- **Market segmentation** 市场细分 divides customers into groups a firm can actually serve differently.
- **Market research** 市场调研 is **primary** 一手 (you collect it) or **secondary** 二手 (someone else did).
- △ In the research task, a survey of twenty classmates is a real sample with a real limitation. State the limitation. Pretending it represents a city loses more marks than the small sample ever cost.