



BUSS4 - SECTION B EVIDENCE BLAST

AQA A Level Business - BUSS4

Hosted by Jim Riley

This Session...30 mins

- Fast-paced overview of key examples
 & relevant theories to support 8
 important Section B topics
- Answer your questions (in chat) about Section B

What We'll Cover...

Topic Areas

Key Models

Leadership styles

Change management

Growth strategy

Business ethics

Corporate social responsibility

Political & legal environment

Europe (incl Brexit)

Organisational culture

Porter (5 Forces)

Lewin's Force Field Analysis

Ansoff

Handy Culture

Leadership styles

PESTLE



Leadership Styles

Great Examples

Satya Nadella & Steve Ballmer (Microsoft)

Harriet Green (ex Thomas Cook)

Moya Greene (Royal Mail)

Howard Schultz (Starbucks)

Stephen Elop (ex Nokia)

Jeffrey Skilling (ex Enron)

Herb Kelleher (Southwest Airlines)

Michael O'Leary (Ryanair)

Dave Lewis (Tesco)

Models / Theory

Autocratic | Democratic | Paternalistic | Laissez-faire

Key Issues

Can a business change successfully strategic direction without new leadership?

Is new leadership required for successful change?

Can new leadership change culture?



Change Management

Great Examples

Royal Mail (privatisation & deregulation)

Microsoft (from hardware to the cloud)

BBC (retrenchment & regulation)

Sony ("Sony must change, Sony will change")

Barclays (failure of change programme)

VW (need for change after emissions scandal)

Tesco (Dave Lewis)

Models / Theory

Lewin's Force Field Analysis
Step change v incremental change

Key Issues

How can resistance to change be overcome?

Growing external forces for change (link with PESTLE)

Is new leadership needed for effective change??



Growth Strategy

Great Examples

Organic growth

Aldi

Uber

Netflix

Dominos UK

Whitbread (Costa, Premier Inn)

Apple (but also external)

External growth

Alphabet (diversification)

Amazon (but also internal)

Models / Theory

Ansoff Matrix

Synergy & Economies of scale

Porter generic strategies

Boston Matrix

Key Issues

Better to focus or diversify?

Risks of takeovers v benefits

Is organic better than external?



Business Ethics

Great Examples

Poor Ethics

Financial services (PPI mis-selling)

VW & others (diesel emissions)

Pharmaceuticals (bribery)

Tax avoidance (multinationals)

Suppliers (Tesco)

Energy companies (tariffs)

Good ethics

Co-operative Bank

PepsiCo

Models / Theory

Continuum of ethics:

Amoral | Legalistic | Responsive | Ethical

Key Issues

Is acting ethically a source of competitive advantage

Should businesses be allowed to act in their best interests?

Is there a case for greater legislation and regulation to enforce business ethics?



Corporate Social Responsibility

Great Examples

Unilever (sustainable living plan)

Ikea

M&S (Plan A)

Southwest Airlines (the business of business is people)

Question Marks

GSK (alleged bribery, corruption)

BP & Shell (environmental damage)

Financial services (mis-selling)

Multinationals (tax avoidance)

Models / Theory

Milton Friedman – Shareholder Value Stakeholder model

Elkington – Triple Bottom Line (People,

Planet, Profit)

Key Issues

Can businesses ignore CSR if they want to be successful

Should profit maximisation still be the main objective of business?



Political & Legal Environment

Great Examples

Sugar tax (linked with CSR & ethics)

National living wage (impact on business costs)

Brexit (opportunity or threat)

Tax avoidance (global action by Govts)

BP Deepwater Horizon (costs of breaching environmental laws)

Green taxes (impact on energy costs for manufacturers)

Models / Theory

Regulation v Self-Regulation
Stakeholder model

Key Issues

Changes in legislation: opportunity or threat?

Should business activity be regulated more closely in order to ensure they meet societal needs?



Business & Europe (incl Brexit)

Great Examples

Nissan (Sunderland = Europe's most efficient car plant)

Airbus UK (pan-European business)

Ryanair (deregulation in Single Market has facilitated growth)

Rolls-Royce: Brexit warning

John Timpson, Luke Johnson & John Caudwell – entrepreneurs in favour of Brexit

JCB – Lord Bamford in favour of Brexit

Models / Theory

Globalisation

Price elasticity of demand (tariffs)

Key Issues

Is Brexit a threat or opportunity?

Is Brexit **the most significant threat** facing businesses in the UK?

How does Europe compare with emerging markets as a opportunity for UK businesses?



Organisational Culture

Great Examples

Apple (innovation)

John Lewis (partnership culture)

Zappos (business based on culture)

Enron (toxic culture)

Barclays (failed culture change)

Tesco (unethical culture)

Ikea (culture of thrift & teamwork)

Disney ("characters")

Daimler / Chrysler merger (culture leading to failed merger)

Models / Theory

Handy Four Classes of Culture (Power. Role, Task, Person)

Schein – layers of culture

Key Issues

Is new leadership needed to change organisational culture?

Is culture the reason why businesses act unethically?

Is an innovative culture required for long-term business success?



Picking Your Section B Case Studies Carefully: E.g. Tesco Under Dave Lewis

Section B	Dave Lewis / Tesco Examples
Business Ethics	Better treatment of suppliers
Organisational Culture	Moved HQ from Cheshunt Removed directors linked to accounting scandal
Leadership	Decisive, early action Signaled need for change in strategic direction
Change Management	Memo to 50,000 staff on need for urgent change Brought in new management
External Environment	Intense price competition Battle against the grocery discounters (Aldi, Lidl)
Globalisation	Strategy of international expansion scaled back Focus now on core retail markets
Retrenchment	Sale of non-core businesses & rationalised product range Store closure programme & suspension of new stores



tutor2u 12 for 2016: Great for BOTH Section A and Section B

- **1** ASOS PLC
- ALPHABET INC (GOOGLE)
- APPLE
- AMAZON
- **DOMINOS UK**
- **JOHN LEWIS PARTNERSHIP**

- MICROSOFT
- 8 NETFLIX
- OCADO
- **STARBUCKS**
- TESCO
- **UBER**





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