**Key Terms**

Use your class notes and Tutor2u to help you complete your Key Terms list.

This could be done in your Private Study periods. Remember that you will be tested on key terms at the end of each topic area!

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| * 1. Different types of business decision | |
| Strategic decisions |  |
| Tactical decisions |  |
| Operational decisions |  |
| 1.2 Different criteria used when making business decisions | |
| Risk |  |
| Organisational objectives |  |
| Core competencies |  |
| Internal stakeholder |  |
| Business ethics |  |
| Opportunity cost |  |
| Ethics |  |
| Corporate Social Responsibility |  |
| External stakeholder |  |
| Uncertainty |  |
| External environment |  |
| 1.3 The use of different types of information when making business decisions | |
| Internal information |  |
| External information |  |
| Qualitative information |  |
| Quantitative information |  |
| Historic information |  |
| Forecasts |  |
| Primary research |  |
| Secondary research |  |
| 1.4 How to judge the validity of information used to make business decisions | |
| Bias |  |
| Relevance |  |
| Complexity |  |
| Reliability |  |
| 1.5 The purposes, benefits and importance of communication | |
| The media |  |
| Local community |  |
| Lenders |  |
| 1.6 Factors affecting the quality of decision making | |
| Decision-making tool |  |
| Analytical skills |  |
| Solution-focussed approach |  |
| Problem-solving abilities |  |
| Power differential |  |
| Bias |  |
| Consultation |  |
| 2.1 How to use profitability data | |
| Cost |  |
| Revenue |  |
| Gross profit |  |
| Net profit |  |
| Net profit ratio  Gross profit ratio |  |
| Profit |  |
| Breakeven |  |
| Margin of safety |  |
| Revenue |  |
| Variable costs |  |
| Total costs |  |
| Fixed costs |  |
| 2.3 How to use contribution data | |
| Contribution |  |
| Special order |  |
| 2.4 How to use cash flow data | |
| Cash inflow |  |
| Cash outflow |  |
| Net cash flow |  |
| 2.5 How to use investment appraisal | |
| Investment appraisal |  |
| Payback period |  |
| Average Rate of Return (ARR) |  |
| Net Present Value  (NPV) |  |
| 3.1 Factors involved in workforce planning | |
| Work force |  |
| Skills |  |
| Induction training |  |
| On the job training |  |
| Off the job training |  |
| Skills audit |  |
| 3.2 How to use work performance data | |
| Absenteeism |  |
| Labour turnover |  |
| Productivity |  |
| Wastage |  |
| Industrial averages |  |
| 4.1 How to use market research information | |
| Text |  |
| Data |  |
| Data correlation |  |
| Data pattern |  |
| Time Series Analysis |  |
| Graphical extrapolation |  |
| Moving average |  |
| 4.2 How to use marketing decision-making tools | |
| The Boston Matrix |  |
| Porters Five Forces Model |  |
| Porters Generic Competitive Strategies |  |
| 4.3 Considerations when making marketing decisions | |
| Target market |  |
| Channel of distribution |  |
| Corporate image |  |
| Target market |  |
| 4.4 How constraints on marketing impact business decisions | |
| Legal constraints |  |
| Ethical constraints |  |
| Social constraints |  |
| Financial constraints |  |
| Corporate policy |  |
| 5.1 The issues and key tasks involved in resource management | |
| Physical resources |  |
| IT resources |  |
| Inventory management |  |
| Stock control chart |  |
| EPOS data |  |
| Radio-frequency Identification (RFID) |  |
| 5.2 How to use project management tools | |
| Gantt chart |  |
| Project plan |  |
| Risk register |  |
| 5.3 How to use and interpret critical path analysis (CPA) | |
| Critical path |  |
| 5.4 How change is managed | |
| Internal change |  |
| External change |  |
| Resistors to change |  |
| 5.5 The factors involved in contingency planning | |
| Contingency |  |
| 6.1 How to use business decision-making tools | |
| Organisational audit |  |
| Business environmental audit |  |
| Competitor analysis |  |
| Stakeholder analysis |  |
| Ansoff’s matrix |  |
| Core competency |  |
| Portfolio analysis |  |
| 6.2 How different strategies are used to help a business develop a competitive advantage in different circumstances | |
| Competitive advantage |  |
| Emerging position |  |
| Maturing position |  |
| Declining position |  |
| Diversification |  |
| Horizontal integration |  |
| Vertical integration |  |
| Retrenchment |  |
| Strategic direction |  |
| Market entry |  |
| Market position |  |
| Product provision |  |
| Service provision |  |
| Market growth |  |
| Merger |  |
| Re-branding |  |
| 6.3 How to make business decisions | |
| Prioritise |  |
| Analysis |  |
| Synthesis |  |
| Decision-making criteria |  |
| Rationale |  |
| 6.4 How to justify a business decision | |
| Feasibility |  |
| Desirability |  |
| Perspective |  |
| Evidence based decision |  |