Ethics is:

about what is right and wrong

6:1 Ethical and Environmental Considerations

Ethics involves treating workers, suppliers and customers right however what is right and wrong changes over time so it can be hard for businesses to keep up.

Ethical marketing

Marketing activities that seek to give customers information to make good choices Environmentally

friendly Describes consumers

and businesses that act to make production sustainable production

The share of the total market for a product

Benefits of being environmentally friendly Increased sales Reduced costs Reduced tax bills Reduce resource scarcity Saving water Switching construction off lights Solar & wind Recycling energy Sustainable production

Economic climate:

refers to how well the country is doing in terms of the levels of income and employment

The amount of money

people receive from

Buyers of goods and

Consumer income

income that all

customers in the

country receive

The total amount of

Income

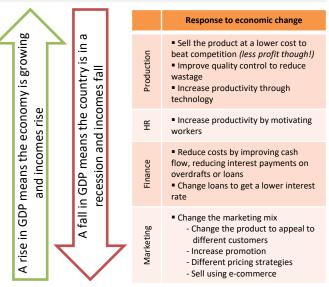
work

Customers

services

6:2 The Economic Climate

Gross Domestic Product (GDP) is a measure of the amount of goods and services a country produces



Globalisation is:

the process by which business activity around the world has become increasingly interconnected

International branding

Creating an image or values for a product in different countries

Multinational companies

Businesses that operate in different countries

Productivity

A measure of output of each worker on average

Free trade

The absence of restrictions on trade between countries

6:3 Globalisation

Pros of a UK business locating abroad

- Lower labour costs
- Lower costs
- Expertise
- Skilled workers
- Demand

Cons of a UK business locating abroad

- Quality control
 - Poor communications
 - Transport
 - Loss of UK sales
- No skilled labour
- Costs of moving

Influences on business

Ethical and environmental considerations

There could be negative implications if businesses don't follow UK guidelines in other countries

The economic climate

This will influence whether or not a business is willing to operate there - if low income the business will suffer

Assessment Information

Your assessment will take place during a normal timetabled lesson but you should be revising at home.

Number of marks available: 40 Time allowed: 50 minutes

Answer **ALL** of the questions

The first 10 questions will be multiple choice - you must only select **ONE** answer, selecting two will score 0 marks.

The other questions will include a range of 2, 3, 4, 6, 7, & 9 mark questions

Possible questions

- State two advantages of moving production abroad.
- 2. Define the term 'globalisation'.
- Explain how being environmentally friendly could affect the finance department.
- 4. Analyse how being environmentally friendly can benefit a business.
- Analyse two impacts of globalisation on a business.
- 6. Evaluate how a rise in income could affect different business functions.

State

Explain

Analyse

e Recommend

Evaluate