

Business studies new syllabus

First examination in 2011

Objectives of the syllabus

- Examining the ways of finding solutions through institutions and organizations to the questions related with satisfying human needs and wants .
- Preparing to adapt to the volatile business environment through the better understanding.
- Use the theoretical knowledge of the businesses to use in practical situations.
- Giving the competency to grasp the complex subject matters through studying concepts and principles related with businesses.
- Providing the opportunity to improve the entrepreneurial and managerial skills.
- Showing the integrated nature among the functions of business system.
- Providing the basic skills needed to engage in the local, regional and global businesses.
- Providing the opportunity to build the attitudes needed to create a healthy business culture in Sri Lanka.
- Providing the practice needed to start and maintain businesses with a proper plan.
- Giving the skills needed to engage in professional roles successfully.
- Providing the skills needed to use the management and the modern technology for the social and economic development.
- Supplementing an approach to enter the higher education.

In grade 12 competency levels from 1.1 to 11. 7 covered.

In grade 13 competency levels form 12.1 to 18. 11 covered.

Competency	Competency level	Subject expansion.
1. examining the basis of businesses to provide active participation to businesses	1.1. explaining the business concept	<ul style="list-style-type: none">• Defining businesses<ul style="list-style-type: none">○ Needs and wants○ Products○ Demand○ Production○ Market• Need of the businesses• Business objectives

	<p>1.2. forecasting the trends of businesses by examining the evolution of businesses</p>	<ul style="list-style-type: none"> • Self sufficient economic system/ direct production • Individual specialization • Indirect production • Barter system • Trade • Usage and evolution of money • Agricultural economy • Industrial economy <ul style="list-style-type: none"> ○ Auxiliary services / business supporting services ○ Commerce • Knowledge based economy (information economy) <ul style="list-style-type: none"> ○ e businesses ○ e commerce • new trends in businesses • criteria of business classification <ul style="list-style-type: none"> ○ according to the nature of production ○ according to the production section
	<p>1.3. classifying businesses under different criteria</p>	<ul style="list-style-type: none"> ○ according to the ownership ○ according to the objectives ○ according to the scale • different sectors of gross domestic product in Sri Lanka <ul style="list-style-type: none"> ○ agricultural ○ industrial ○ services
	<p>1.4. evaluate the contribution of each production sectors to the gross domestic product in Sri Lanka</p>	<ul style="list-style-type: none"> • input (resources) <ul style="list-style-type: none"> ○ land ○ labour ○ capital ○ entrepreneur ○ information
	<p>1.5. explain that the business is a process of input and output.</p>	<ul style="list-style-type: none"> ○ time ○ knowledge • business functions <ul style="list-style-type: none"> ○ administration ○ operation (production) ○ marketing ○ finance ○ human resource activities

		<ul style="list-style-type: none"> ○ research and development ● output <ul style="list-style-type: none"> ○ goods ○ services ● classification of goods and services ● classification of goods <ul style="list-style-type: none"> ○ according to the existence ○ according to the usage ● classification of services <ul style="list-style-type: none"> ○ business services ○ direct services
	<p>1.6. Classifying the various products which satisfy the needs and wants.</p>	<ul style="list-style-type: none"> ● business stakeholders <ul style="list-style-type: none"> ○ owners/ shareholders ○ managers ○ employees ○ customers ○ potential investors ○ creditors ○ government ○ community ○ others
	<p>1.7. examine the reasons for the concerns of stakeholders to businesses</p>	<ul style="list-style-type: none"> ● reasons for the stakeholders concern of businesses ● business environment <ul style="list-style-type: none"> ○ definition ○ requirement of studying ○ classification
<p>2. ensure that the business environment influence the existence of the businesses</p>		<ul style="list-style-type: none"> ▪ internal ▪ external <ul style="list-style-type: none"> ● near/close ● general/ macro ● internal environmental influences <ul style="list-style-type: none"> ○ owners
	<p>2.1 Classifying the business environment to make the analysis of business environment easy.</p> <p>2.2 analyze the effects of</p>	<ul style="list-style-type: none"> ○ managers ○ employees ○ corporate culture ○ organizational structure ○ resources ● strengths and weaknesses related with internal environment ● near or close environmental influences <ul style="list-style-type: none"> ○ customers/ consumers ○ suppliers ○ competitors ○ new businessmen hopes to enter the market

	<p>internal environmental influences to the businesses</p> <p>2.3 analyze the effects of near/close environmental influences to the businesses</p>	<ul style="list-style-type: none"> ○ producers of substitute goods ● opportunities and threats related with the influences of near environment ● general /macro economic influences <ul style="list-style-type: none"> ○ economic environment ○ political and legal environment ○ technological environment ○ demographic environment ○ natural environment ○ social and cultural environment ○ global environment ● the effects from the macro economic influences to micro economic influences ● internal influences among the macro economic influences ● social responsibilities of businesses <ul style="list-style-type: none"> ○ Definition ○ Need to fulfill the social responsibilities ○ Parties to whom the social responsibilities should be fulfilled
	<p>2.4 analyze the effects of macro environmental influences to the businesses</p> <p>3.1. evaluate the value of fulfilling the social responsibilities by businesses</p>	<ul style="list-style-type: none"> ▪ Owners ▪ Employees ▪ Customers ▪ Government ▪ Community ▪ Environment ● Business ethics <ul style="list-style-type: none"> ○ Definition ○ Importance of practicing ethics ○ Factors to be considered when developing a system of business ethics <ul style="list-style-type: none"> ▪ Business ▪ Customer ▪ Employee ▪ Competitors ▪ Social environment ▪ Corporate culture ▪ Practicality ● Government <ul style="list-style-type: none"> ○ Central government ○ Provincial councils ○ Local council ● How the government influences <ul style="list-style-type: none"> ○ Provide infrastructure
<p>3. consideration of social responsibilities and business ethics to adapt to the volatile business environment</p>		

		<ul style="list-style-type: none"> ○ Being a competitor ○ Formulating policies
4. ensuring the need to maintain the business operations by keeping relationships with the customers	3.2. ensuring the need of an ethical system for the success of the businesses	<ul style="list-style-type: none"> ○ Imposing of rules and regulations ○ Provide incentives ○ Being a tax payer. <ul style="list-style-type: none"> • Economic objectives of the government <ul style="list-style-type: none"> ○ Economic growth and development ○ Full employment ○ Economic stability ○ Equal distribution of income ○ Healthy international trade • How the businesses contribution in achieving economic objectives <ul style="list-style-type: none"> ○ Tax payment ○ Usage of local resources ○ Practicing the government policies ○ Following rules and regulations ○ Contribution to employment ○ Reducing the pollution • Importance of the mutual relationship between the government and businesses • Government fiscal policies <ul style="list-style-type: none"> ○ Objective ○ Tax ○ Types of taxes <ul style="list-style-type: none"> ▪ Direct taxes ▪ Indirect taxes
	4.1. analyzing how the government influences the businesses	
	4.2. show the business contribution in achieving the economic objectives of the government	<ul style="list-style-type: none"> ○ Non tax income <ul style="list-style-type: none"> • How the fiscal policies affect the businesses • Government monetary policy • Instruments used to implement the monetary policies <ul style="list-style-type: none"> ○ Rate of interest ○ Changing the reserve requirements ○ Open market activities ○ Changes in the discount ratios ○ Imposing credit limits • How the government monetary policies affect the businesses • Consumer protection <ul style="list-style-type: none"> ○ Definition ○ Need ○ Importance <ul style="list-style-type: none"> ▪ To consumers ▪ To businesses
4.3. ensure the importance of operating		<ul style="list-style-type: none"> • Consumer rights • Consumer responsibilities

	<p>businesses according to the government fiscal policies</p>	<ul style="list-style-type: none"> • Consumer protection authority <ul style="list-style-type: none"> ○ Objectives ○ Functions ○ Powers to formalize the trade • Sri Lanka Institute of Standards <ul style="list-style-type: none"> ○ Objectives ○ Functions
	<p>4.3. ensure the importance of operating businesses according to the government monetary policies</p>	<ul style="list-style-type: none"> • Business organizations • Features of a formal business organization • Types of business organization <ul style="list-style-type: none"> ○ Private sector business organizations <ul style="list-style-type: none"> ▪ Sole traders ▪ Partnerships ▪ Incorporated companies ▪ Corporative ▪ Special businesses ○ Government sector businesses
<p>5. Ensure that it is important to have business organizations to start and continue a business methodically.</p>		<ul style="list-style-type: none"> ▪ Departments ▪ Corporations ▪ Businesses under local authorities ▪ Government companies
	<p>4.4 Showing the need to operate businesses for the consumer protection by following the action taken by the government.</p>	<ul style="list-style-type: none"> • Sole trading business organizations <ul style="list-style-type: none"> ○ Definition ○ Special features ○ Advantages and limitations • Registration of sole traders
	<p>4.5 Analyzing the role of the government institutions which are standing for the purpose of consumer protection.</p>	<ul style="list-style-type: none"> • Partnerships <ul style="list-style-type: none"> ○ Definition ○ Special features ○ Advantages and limitations • Registration of partnerships • Ways of forming a partnership <ul style="list-style-type: none"> ○ Gesture ○ Orally ○ Written • Partnership deed. <ul style="list-style-type: none"> ○ Importance of a partnership deed ○ General information in a deed • Partnership ordinance of 1890 and 24th clause • Rights and responsibilities of partners • Cooperative businesses <ul style="list-style-type: none"> ○ Definition ○ Special features ○ Advantages and limitations
	<p>5.1. classify the business organizations under the ownership</p>	<ul style="list-style-type: none"> • Registration

		<ul style="list-style-type: none"> • Evolution of cooperative movement • Cooperative principles • How the cooperatives contribute to the economic growth • Trends in the cooperative businesses • Incorporated companies <ul style="list-style-type: none"> ○ Definition ○ Special features ○ Advantages and limitations
	<p>5.2. Analyze the features of sole trading provide a balanced comparison of advantages and limitations of sole trading.</p>	<ul style="list-style-type: none"> • Incorporation of companies • Types of incorporated companies <ul style="list-style-type: none"> ○ Limited companies <ul style="list-style-type: none"> ▪ Private limited ▪ Public limited ▪ Offshore limited ○ Unlimited companies
	<p>5.3. Analyze the features of partnerships provide a balanced comparison of advantages and limitations of partnerships.</p>	<ul style="list-style-type: none"> ○ Limited by guarantee companies ○ Overseas companies • Criteria for comparing the types of incorporated companies <ul style="list-style-type: none"> ○ Number of members ○ Liability ○ Capital formation <ul style="list-style-type: none"> ▪ Shares
	<p>5.4. Ensure the necessity of a partnership deed to start and continue a partnership</p> <p>5.5. analyze the features of cooperatives and compare the advantages and limitations</p>	<ul style="list-style-type: none"> ▪ Debentures ○ Control and management • Franchising businesses <ul style="list-style-type: none"> ○ Franchisor ○ Franchisee ○ Facilities provided by the franchisor to franchisee ○ Types of franchising ○ Advantages and limitations of franchises • Reasons for operating businesses • Business organizations in state sector <ul style="list-style-type: none"> ○ Government corporations and statutory boards ○ Government corporations ○ Businesses under the local authorities • Features of the state owned business organizations • Privatizations and related arguments
	<p>5.6. Forecast the trends of the cooperatives by</p>	<ul style="list-style-type: none"> • Entrepreneurship <ul style="list-style-type: none"> ○ Definition

	<p>analyzing the evolution of cooperatives.</p>	<ul style="list-style-type: none"> ○ Importance ● Benefits of entrepreneurship <ul style="list-style-type: none"> ○ Personal ○ Social and economic
	<p>5.7. analyze the special features of incorporated companies</p>	<ul style="list-style-type: none"> ● Entrepreneurship and the economic development ● Trends of entrepreneurship ● Entrepreneur ● Background of creation of entrepreneurs <ul style="list-style-type: none"> ○ Prone to self creativity
	<p>5.8. compare the special features of different types of companies</p>	<ul style="list-style-type: none"> ○ Family background ○ Social and economic background ○ Education and training ○ Social problems
<p>6. show the contribution of the entrepreneurship for the economic and personal development</p>		<ul style="list-style-type: none"> ● Entrepreneurial competencies <ul style="list-style-type: none"> ○ Creativity ○ Initiative ness ○ Acceptance of risks ○ Identify opportunities ○ Organizing resources ○ Leadership ○ Network relationships ○ Vision ○ Independence ○ Devotion ○ Self confidence ○ Self awareness ○ Achieving goals ○ Optimistic
	<p>5.9. analyze the special features of franchising businesses and compare the advantages and limitations</p>	<ul style="list-style-type: none"> ○ Flexibility ○ Bearability ○ Resilience ○ Consistency ○ Social friendliness ○ Eco friendliness ● Sources of developing entrepreneurial competencies <ul style="list-style-type: none"> ○ Self evaluation ○ Training ○ Education ○ Getting benefits from experiences
	<p>5.10. analyze the special features of state owned businesses and compare the advantages and limitations</p>	<ul style="list-style-type: none"> ● Small businesses <ul style="list-style-type: none"> ○ Definition ○ Features ○ Importance ● Relationship between the entrepreneurship and small businesses ● Factors considered by small businessmen <ul style="list-style-type: none"> ○ When opening the business

	<p>6.1. exhibit the interest of being an entrepreneur by studying the importance and the benefits of the entrepreneurship</p>	<ul style="list-style-type: none"> ○ When continuing the business • Reasons of the failures of small businesses and the ways of making them success. • Actions taken by government <ul style="list-style-type: none"> ○ Financially ○ Non financially • People and institutions which provide encouragements <ul style="list-style-type: none"> ○ Counseling services ○ Research and technical services ○ Financial facilities ○ Marketing facilities ○ Infrastructure • Projects which are currently operating <ul style="list-style-type: none"> ○ SUWANA ○ SUMADI
	<p>6.2.study the background reasons of generating entrepreneurs</p>	<ul style="list-style-type: none"> ○ SAHANYA ○ Skills development project ○ GEMI PUBUDUWA programme ○ SANASA loan project ○ SAMURDHI development project • Other projects • Money <ul style="list-style-type: none"> ○ Definition
	<p>6.3. Exhibit the ability to act as an entrepreneur by developing the entrepreneurial competencies.</p>	<ul style="list-style-type: none"> ○ Evolution ○ Functions ○ Features ○ Types <ul style="list-style-type: none"> ▪ Legal tenders ▪ Bank money ▪ Near money ▪ E money • System of Financial institutions of Sri Lanka <ul style="list-style-type: none"> ○ Banking sector <ul style="list-style-type: none"> ▪ Central bank ▪ Licensed commercial banks ▪ Licensed specialized banks ○ Other financial institutions which accept deposits <ul style="list-style-type: none"> ▪ Registered financial companies
<p>7. Evaluate the contribution of money and financial</p>		<ul style="list-style-type: none"> ▪ Cooperative rural banks ▪ SANASA cooperative societies ○ Other special financial institutions <ul style="list-style-type: none"> ▪ Special leasing companies ▪ Primary dealers ▪ Vanik Banks

<p>institutions for the existence and the growth of the businesses</p>		<ul style="list-style-type: none"> ▪ Share broker companies ▪ Unit trusts ▪ Entrepreneur capital companies ▪ Debt rating companies ○ Bonded saving institutions
	<p>6.4. analyze the contribution of small scale businesses for the economic development</p>	<ul style="list-style-type: none"> ▪ Insurance companies ▪ Employment provident fund ▪ Employment trust fund ▪ Other provident funds ▪ State provident funds • How the financial institution system in a country is important as a business service. • Types of deposits in commercial banks <ul style="list-style-type: none"> ○ Current accounts(demand deposits) ○ Savings accounts ○ Fixed deposits (time deposits) • How the various types of deposits are important for a
	<p>6.5. Examine the possible incentives and encouragements to promote small businesses.</p>	<ul style="list-style-type: none"> businessmen • Types of loans issued by a commercial bank <ul style="list-style-type: none"> ○ Overdraft ○ Loans <ul style="list-style-type: none"> ▪ Business loans ▪ Consumer loans • Other services of commercial banks <ul style="list-style-type: none"> ○ Agency services ○ Leasing ○ Home banking ○ Telebanking
	<p>6.6. Examine the special projects which are standing for the success of the small businesses.</p> <p>7.1. Ensure the necessity of money to make the transactions easy.</p>	<ul style="list-style-type: none"> ○ Pawning services ○ Security facilities ○ Purchase and sale of foreign exchange ○ Credit card service ○ Money transferring ○ Issuing travelers cheques ○ Automatic banking services ○ E banking ○ Issuing letter of credit ○ Other services • How the other services of commercial banks affect the businesses • Cheque • Type of cheques <ul style="list-style-type: none"> ○ Order cheques ○ Bearer cheques • Parties involved in a cheque <ul style="list-style-type: none"> ○ Drawer

		<ul style="list-style-type: none"> ○ Drawee ○ Payee • Factors considered when writing a cheque • Crossing of cheques
	<p>7.2. evaluate how the system of financial institutions of Sri Lanka contribute the operation and the growth of the businesses.</p>	<ul style="list-style-type: none"> ○ General crossing ○ Special crossing • Endorsement of cheque • Dishonour cheque • E cash <ul style="list-style-type: none"> ○ Types of e cash ○ Parties involved in e cash ○ Features of an e cash card ○ Benefits and limitations of e cash transactions • Central bank of Sri Lanka <ul style="list-style-type: none"> ○ Objectives ○ Functions ○ How the Central bank functions are affecting the success of Businesses • Insurance <ul style="list-style-type: none"> ○ Definition • Risk <ul style="list-style-type: none"> ○ Definition ○ Insurable risks ○ Non insurable risks • Necessity of insurance • Contract of insurance <ul style="list-style-type: none"> ○ Parties involved in the contract of insurance ○ Insurance policy
	<p>7.3. show how the different deposits and loans issued by the commercial banks affect the operation and the growth of the businesses.</p>	<ul style="list-style-type: none"> • Principles of insurance <ul style="list-style-type: none"> ○ Insurable interest ○ Utmost good faith ○ Indemnity ○ Contribution ○ Subrogation ○ Proximate cause • Classification of insurance
<p>8. ensure the necessity of insurance for the existence of businesses</p>		<ul style="list-style-type: none"> ○ Life insurance ○ General insurance <ul style="list-style-type: none"> ▪ Fire insurance
	<p>7.4. Show how the other services of commercial banks affect the</p>	<ul style="list-style-type: none"> ▪ Theft insurance ▪ Natural disasters ▪ Marine ▪ Motor vehicles

	<p>business operations.</p>	<ul style="list-style-type: none"> ▪ Employer liability ▪ Goods in transit ▪ Money in transit <ul style="list-style-type: none"> • Composition of the insurance market <ul style="list-style-type: none"> ○ Sri Lanka Insurance Board ○ Insurance companies ○ Insurance brokers ○ Insurance agents • Underwriters • Reinsurers <ul style="list-style-type: none"> • Transportation • Transportation system
	<p>7.5 show how the transaction can be made easy by using cheques.</p>	<ul style="list-style-type: none"> • Components of transportation <ul style="list-style-type: none"> ○ Mode ○ Medium ○ Power ○ Destination • Types of transportation systems <ul style="list-style-type: none"> ○ Road ○ Railway ○ Water ○ Air • Benefits and limitations of transportation methods • Importance of transportation <ul style="list-style-type: none"> • Factors considered when selecting a method/ medium of transportation • Qualities needed to an effective transportation system • Documents used in transportation • New trends in transportation
<p>9. show necessity of using the transportation for the success of business activities</p>	<p>7.6. Show how the transactions can be made easy through the usage of e cash.</p>	<ul style="list-style-type: none"> • Communication • Importance of communication <ul style="list-style-type: none"> ○ For business purposes ○ Social activities • Communication process • Basic components of communication process. <ul style="list-style-type: none"> ○ Sender
	<p>7.7. examine the functions of the Central bank of Sri Lanka</p>	<ul style="list-style-type: none"> ○ Message ○ Medium ○ Receiver ○ Response ○ Feedback • Qualities of effective communication <ul style="list-style-type: none"> ○ Accuracy ○ Briefness ○ Completeness

	<p>8.1. Examine the importance of the service of insurance which supports the existence of businesses.</p>	<ul style="list-style-type: none"> ○ Clearness ○ Politeness ○ Specific ○ Attentive ○ Low cost ○ Speed <ul style="list-style-type: none"> • Methods of communication
<p>10.ensure the necessity of using communication effectively for the success of business activities</p>		<ul style="list-style-type: none"> ○ Written ○ Oral ○ Signals and symbols
	<p>8.2. Analyze the principles of insurance which helps to use the insurance in practical usages.</p>	<ul style="list-style-type: none"> • Electronic communication • Internal and external communication • Barriers for effective communication and overcoming them • Trade <ul style="list-style-type: none"> ○ Definition ○ Distribution process ○ Middlemen in trade • Types of trade <ul style="list-style-type: none"> ○ Local
	<p>8.3. Examine the types of insurance policies which cover different types of risks.</p>	<ul style="list-style-type: none"> ○ Foreign <ul style="list-style-type: none"> ▪ Wholesale ▪ Retail ○ Import ○ Export • Retail trade. <ul style="list-style-type: none"> ○ Definition ○ Features ○ Services from retailers <ul style="list-style-type: none"> ▪ To producer ▪ To wholesaler ▪ To consumer
	<p>8.4. Examine the parties involved in the insurance market in Sri Lanka which contribute to the existence of insurance.</p>	<ul style="list-style-type: none"> • Types of retail shops <ul style="list-style-type: none"> ○ Mobile retail shops ○ Permanent retail shops • New trends in retail trade • Wholesale trade
<p>11. examine the contribution of trade for the distribution of products.</p>	<p>9.1. Compare the benefits and limitations of various types transportation methods</p>	<ul style="list-style-type: none"> ○ Definition ○ Services from retail trade <ul style="list-style-type: none"> ▪ To producer ▪ To retailer ○ Agents • Advantages and limitations of using agents for trade.

<p>for the success of business activities.</p>	<ul style="list-style-type: none"> • Foreign trade <ul style="list-style-type: none"> ○ Definition ○ Factors ○ Types <ul style="list-style-type: none"> ▪ Import ▪ export ▪ interstitial ○ benefits • free trade <ul style="list-style-type: none"> ○ definition ○ barriers to free trade <ul style="list-style-type: none"> ▪ tariff ▪ non tariff
<p>9.2. Examine the qualities needed to a method of transportation and select the effective transportation medium</p>	<ul style="list-style-type: none"> • Export and import procedure <ul style="list-style-type: none"> ○ Documents and methods used ○ Payments <ul style="list-style-type: none"> ▪ Bank orders ▪ Letter of credit ▪ Electronic payments ▪ International mail and telex transfers
<p>10.1. Examine the factors which help the success of the communication process.</p>	<ul style="list-style-type: none"> • Trade blocs <ul style="list-style-type: none"> ○ EU ○ ASIAN ○ SAARC ○ NAFTA • Organizations <ul style="list-style-type: none"> ○ WTO ○ IBRD ○ IMF ○ G8 • Trade agreements • Influences from trade agreements to foreign trade. • New trends in foreign trade • E commerce <ul style="list-style-type: none"> ○ Definition ○ Procedure ○ Benefits and limitations • Ways of operating e commerce <ul style="list-style-type: none"> ○ B 2 B ○ B 2 C ○ C 2 C
<p>10.2. select the best communication method by examining the different types of communication</p>	

	<p>methods</p> <p>11.1. examine how the retail trade occur by considering the types of trade.</p>	
	<p>11.2. Select retail shops which are suitable to satisfy the needs by considering the promotion of the local trade.</p>	
	<p>11.2. examine how the wholesale trade operates</p>	
	<p>11.4. Examine the benefits and barriers in the foreign trade and related areas.</p>	

	<p>11.5. examine the import and export procedure and exhibit the readiness to approach the international trade</p>	
	<p>11.6. analyze how the activities of trade zones and international organizations, help to develop the international trade.</p>	
	<p>11.7. show how the e commerce contribute the development of trade</p>	

The syllabus for the second paper will be provided later.

Lakshman Jayasinghe (Bsc. Business Ad.specilal Dip in edu.(0094) 0777490185
lakshmanananda@yahoo.com

Lakshman Jayasinghe.

(Bsc. Business Administration (Management special), postgraduate diploma in Education
0094-777490185.