

# The New Senior Secondary Curriculum for Sierra Leone

## Subject Syllabus for Business Economics

Subject stream: Economics, Business, and Entrepreneurial Studies



This subject syllabus is based on the National Curriculum Framework for Senior Secondary Education. It was prepared by national curriculum specialists and subject experts.





## Curriculum Elements for Business Economics (an applied subject)

### Subject Description

Business Economics, otherwise called Managerial Economics, concerns the application of economic concepts and methodologies to the problems of formulating rational business decision making. It integrates economic theory with business practice for the purpose of facilitating decision making within the firm or organisation.

Business Economics serves as a link between two disciplines, namely, economics and management. The economic discipline concerns the optimum allocation of limited resources to attain the set objectives of a business organisation while the discipline of management relates to a number of principles that help the organisation's decision-making process.

### Rationale for the inclusion of Business Economics in the senior Secondary School Curriculum

The teaching of Business Economics in Senior Secondary School will be relevant in that it will:

- introduce pupils to the concept of business and rational decision-making
- provide pupils with opportunities to learn and gain experience in a variety of areas in the field of business
- help pupils to understand how economic and business concepts can affect their daily lives and society as a whole
- prepare pupils for careers that require numerical, analytical and problem-solving skills such as business planning, marketing of products and services, research and management
- prepare pupils for the wider business world

### General Learning Outcomes (Broad Goals)

At the end of this course, pupils will be able to:

- use economic tools to explain the optimal allocation of the organisation's resources
- possess the skills required for critical thinking and decision making supported by economic principles and best practice in business
- analyse the conditions of demand and supply and to assess the market position of an organisation
- develop competition strategies including pricing, costing, product differentiation, packaging etc.
- attain great knowledge of the market environment
- understand the roles and responsibilities of managers including internal and external decision making
- integrate the concepts of price with output decisions of firms under various market structures



## Subject Content Outline by Broad Themes & Specific Topics

### Introduction to Business Economics

- Meanings of business, economics, and business economics
- Economics: scope of economics, economics as a tool for decision making
- Economics and business decision making
- Importance of business economics
- Distinction between economics and business economics
- Microeconomics and macroeconomics

### Specialisation and Division of Labour

- Meaning of specialisation
- Features of specialisation
- Effects of specialisation on productivity
- Advantages and disadvantages of specialisation
- Meaning of division of labour
- Effects of division of labour on productivity
- Advantages and disadvantages of division of labour

### Objectives and Growth of Firms

#### *Objectives of Firms*

- Profit maximisation
- Growth and expansion
- Sales maximisation
- Revenue maximisation
- Building stakeholder value
- Social and community objectives

#### *Growth of Firms*

How do firms grow?

- Internal growth of firms
- External growth of firms: merger/ amalgamation; types of mergers (horizontal, vertical - forward and backward, conglomerate); advantages and disadvantages of merger; takeover

Why do firms grow?



- Exploitation of economies of scale
- Market control
- Risk reduction

#### *Demergers*

Definition, reasons for demergers (non-existence of synergies, price factor etc.)

#### **Cost, Revenue, Profit and Loss of the Firm**

##### *Cost of the Firm*

- Definition of cost
- Types of cost (fixed and variable costs; explicit and implicit costs)
- Calculation of cost

##### *Revenue of the Firm*

- Definition of revenue
- Revenue concepts (total, average and marginal revenue)
- Calculation of revenue

##### *Profit of the Firm*

- Definition of profit
- Types of profit (normal/ zero profit, abnormal/ supernormal profit)
- Calculation of profit
- Profit management

##### *Loss of the Firm*

- Meaning of loss
- Calculation of loss

#### **Behaviour of Consumers**

- The decision-making process
- Buying situations
- Environmental influences

#### **Demand and Supply Analysis**

- Meaning and law of demand for a commodity or service
- Exceptions to the law of demand



- Factors that affect the demand for a commodity or service (price of the commodity or service itself, prices of other goods, income of the consumer, price expectations, population, weather, interest rates, credit facilities, taste and preferences, marketing and advertisements, taxation, and festival periods)
- The concept and importance of elasticity of demand
- Types of elasticity of demand (price, income, and cross elasticity of demand)
- Types of price elasticity of demand (elastic, inelastic, unit elastic, perfectly elastic and perfectly inelastic demand)
- Determinants of price, income, and cross elasticity of demand
- Uses/ importance of price, income, and cross elasticity of demand
- Meaning and law of supply
- Exceptions to the law of supply
- Determinants of supply (price of the good or service in question, price of other goods, price of factors of production, technology, weather, number of producers, price expectations, factor productivity, taxes and subsidies, natural disasters)
- The concept and importance of elasticity of supply to the firm

#### **Production and Cost Analysis**

- Meaning of production
- Types of production (direct and indirect-primary, secondary, and tertiary)
- Factors of production (land, labour, capital, and entrepreneurship)
- Scale of production (internal and external)
- Concepts of total, average and marginal products
- The law of diminishing returns/ variable proportions
- The stages of production
- Production possibility curve/ boundary/ frontier
- Meaning of cost
- Distinction between explicit costs and implicit costs
- Distinction between economist's and accountant's views of cost and profit
- Cost concepts (total cost, fixed cost, variable cost, average cost, and marginal cost)
- Short run and long run costs
- Economies and diseconomies of scale

#### **Business Organisations**

- Meaning of a business organisation
- Types of business organisations (sole proprietorship, partnership, joint-stock companies-private and public, co-operatives etc.)
- Reasons responsible for the choice of a business organisation
- Basic features of various business organisations



- Advantages and disadvantages of various business organisations
- Sources of funds

### **Barriers to Market Entry and Exit**

#### *Barriers to Market Entry*

- Legal barriers
- Marketing barriers
- High capital cost
- High sunk costs
- Limit pricing
- Economies of scale
- Anti-competitive practices

#### *Barriers to Market Exit*

- Time and cost of making employees redundant
- Notification of suppliers and customers
- An existing contract to supply goods to other firms
- Selling of buildings and stocks
- Payment of lease

### **Market Structure**

- Meaning of a market
- Meaning of market structure
- Reasons for studying market structure
- Forms of market structure: Perfect competition, monopoly-price discrimination, monopolistic competition, oligopoly, monopsony, and oligopsony.
- Reasons for the choice of a market structure
- Features/characteristics of each market structure
- Price, output, and profit determination under various market structures
- Advantages and disadvantages of various market structures

### **Market Failure**

- Definition of market failure. When markets fail
- Types/ sources of market failure: externalities, public goods, monopoly or market power, overproduction and consumption of demerit goods, underproduction and consumption of merit goods, incomplete/ imperfect information etc.



### **Investment**

- Meaning of investment
- Difference between gross investment and net investment
- Types of investment
- Factors influencing investment

### **Price Determination, Pricing Policies and Strategies**

- Meaning of price
- Types of price (economic, market, penetration, competitive, skimming, dumping etc.)
- Factors affecting consumer's price assessments (quality of the good, function, status)
- Determinants of pricing decisions (internal and external factors)
- Internal factors (cost of production, quality of the product or service, company policies, varied factors)
- External factors (demand for a product or service, competitors, nature of the good, customers and consumers, distribution channels, government policies)
- Pricing methods: cost-based, demand-based, and competitive-based pricing methods.
- Pricing adjustments: quantity, cash, seasonal, promotional, geographical and trade discounts.
- Pricing objectives: financial, customer satisfaction, marketing, competition-based, survival objectives.
- Pricing policies and strategies

### **SWOT Analysis in Business**

- Strengths of the business
- Weaknesses of the business
- Opportunities open to the business
- Threats to the business

### **PESTLE Analysis in Business**

- Political
- Economic
- Social
- Technological
- Legal
- Environmental/ Ecological factors

### **Taxation**

- Meaning of taxation
- Meaning and types of tax (direct and indirect)



- Types of direct tax (personal income tax, company tax, capital gains tax etc.)
- Advantages and disadvantages of direct tax
- Types of indirect tax (import duties, export duties, excise duties, value added tax (VAT) etc.)
- Advantages and disadvantages of indirect tax
- Systems/rates of taxation (progressive, proportional, and regressive)
- Incidence of taxation: meaning and types
- Effect of tax on businesses

#### **Inflation**

- Meaning of inflation
- Meaning and measure of rate of inflation
- Types of inflation
- Causes of inflation
- Effects of inflation on consumers and businesses

#### **Exchange Rate Determination**

- Meaning of 'exchange rate'
- Why do we need an exchange rate?
- How is an exchange rate determined?
- Sources of demand for foreign currency
- Determinants of an exchange rate
- Appreciation of a currency
- Depreciation of a currency
- Exchange rate system
- Types of exchange rate system (fixed, floating, managed float, crawling peg, dual exchange rate system)
- Nominal exchange rate and real exchange rate

#### **International Trade**

- Meaning of international trade
- Advantages and disadvantages of international trade
- Forms of international trade (importation, exportation, and re-exportation)
- Why do individuals/ firms/ countries import?
- Trade barriers
- Types of trade barriers
- Advantages and disadvantages of trade barriers





- Forms of tariff trade barriers: Ad valorem duty, specific duty, compound duty etc.
- Forms of non-tariff trade barriers: quotas, embargoes, voluntary export restraints and government subsidies#

## Structure of the Syllabus Over the Three Year Senior Secondary Cycle

	SSS 1	SSS 2	SSS 3
<b>Term 1</b>	<p><b>Introduction to Business Economics</b></p> <ul style="list-style-type: none"> <li>▪ Meanings of business, economics, and business economics</li> <li>▪ Economics: scope of economics, economics as a tool for decision making</li> <li>▪ Economics and business decision making</li> <li>▪ Importance of business economics</li> <li>▪ Distinction between economics and business economics</li> <li>▪ Microeconomics and macroeconomics</li> </ul> <p><b>Specialisation and Division of Labour</b></p> <ul style="list-style-type: none"> <li>▪ Meaning of specialisation</li> <li>▪ Features of specialisation</li> <li>▪ Effects of specialisation on productivity</li> <li>▪ Advantages and disadvantages of specialisation</li> <li>▪ Meaning of division of labour</li> </ul>	<p><b>Business Organisations</b></p> <ul style="list-style-type: none"> <li>▪ Meaning of a business organisation</li> <li>▪ Types of business organisations (sole proprietorship, partnership, joint-stock companies-private and public, co-operatives etc.)</li> <li>▪ Reasons responsible for the choice of a business organisation</li> <li>▪ Basic features of various business organisations</li> <li>▪ Advantages and disadvantages of various business organisations</li> <li>▪ Sources of funds</li> </ul> <p><b>Barriers to Market Entry and Exit</b></p> <p><i>Barriers to Market Entry</i></p> <ul style="list-style-type: none"> <li>▪ Legal barriers</li> <li>▪ Marketing barriers</li> <li>▪ High capital cost</li> <li>▪ High sunk costs</li> <li>▪ Limit pricing</li> <li>▪ Economies of scale</li> <li>▪ Anti-competitive practices</li> </ul>	<p><b>SWOT Analysis in Business</b></p> <ul style="list-style-type: none"> <li>▪ Strengths of the business</li> <li>▪ Weaknesses of the business</li> <li>▪ Opportunities open to the business</li> <li>▪ Threats to the business</li> </ul> <p><b>PESTLE Analysis in Business</b></p> <ul style="list-style-type: none"> <li>▪ Political</li> <li>▪ Economic</li> <li>▪ Social</li> <li>▪ Technological</li> <li>▪ Legal</li> <li>▪ Environmental/ Ecological factors</li> </ul>



	<ul style="list-style-type: none"> <li>▪ Effects of division of labour on productivity</li> <li>▪ Advantages and disadvantages of division of labour</li> </ul> <p><b>Objectives and Growth of Firms</b></p> <p><i>Objectives of Firms</i></p> <ul style="list-style-type: none"> <li>▪ Profit maximisation</li> <li>▪ Growth and expansion</li> <li>▪ Sales maximisation</li> <li>▪ Revenue maximisation</li> <li>▪ Building stakeholder value</li> <li>▪ Social and community objectives</li> </ul> <p><i>Growth of Firms</i></p> <p>How do firms grow?</p> <ul style="list-style-type: none"> <li>▪ Internal growth of firms</li> <li>▪ External growth of firms: merger/ amalgamation; types of merger (horizontal, vertical - forward and backward, conglomerate); advantages and disadvantages of merger; takeover</li> </ul> <p>Why do firms grow?</p> <ul style="list-style-type: none"> <li>▪ Exploitation of economies of scale</li> <li>▪ Market control</li> <li>▪ Risk reduction</li> </ul>	<p><i>Barriers to Market Exit</i></p> <ul style="list-style-type: none"> <li>▪ Time and cost of making employees redundant</li> <li>▪ Notification of suppliers and customers</li> <li>▪ An existing contract to supply goods to other firms</li> <li>▪ Selling of buildings and stocks</li> <li>▪ Payment of lease</li> </ul>	
--	--	--	--



	<p><i>Demergers</i> Definition, reasons for demergers (non-existence of synergies, price factor etc.)</p>		
<b>Term 2</b>	<p><b>Cost, Revenue, Profit and Loss of the Firm</b></p> <p><i>Cost of the Firm</i></p> <ul style="list-style-type: none"> <li>▪ Definition of cost</li> <li>▪ Types of cost (fixed and variable costs; explicit and implicit costs)</li> <li>▪ Calculation of cost</li> </ul> <p><i>Revenue of the Firm</i></p> <ul style="list-style-type: none"> <li>▪ Definition of revenue</li> <li>▪ Revenue concepts (total, average and marginal revenue)</li> <li>▪ Calculation of revenue</li> </ul> <p><i>Profit of the Firm</i></p> <ul style="list-style-type: none"> <li>▪ Definition of profit</li> <li>▪ Types of profit (normal/ zero profit, abnormal/ supernormal profit)</li> <li>▪ Calculation of profit</li> <li>▪ Profit management</li> </ul> <p><i>Loss of the Firm</i></p> <ul style="list-style-type: none"> <li>▪ Meaning of loss</li> <li>▪ Calculation of loss</li> </ul> <p><b>Behaviour of Consumers</b></p> <ul style="list-style-type: none"> <li>▪ The decision-making process</li> <li>▪ Buying situations</li> <li>▪ Environmental influences</li> </ul>	<p><b>Market Structure</b></p> <ul style="list-style-type: none"> <li>▪ Meaning of a market</li> <li>▪ Meaning of market structure</li> <li>▪ Reasons for studying market structure</li> <li>▪ Forms of market structure: Perfect competition, monopoly-price discrimination, monopolistic competition, oligopoly, monopsony, and oligopsony.</li> <li>▪ Reasons for the choice of a market structure</li> <li>▪ Features/characteristics of each market structure</li> <li>▪ Price, output, and profit determination under various market structures</li> <li>▪ Advantages and disadvantages of various market structures</li> </ul> <p><b>Market Failure</b></p> <ul style="list-style-type: none"> <li>▪ Definition of market failure. When markets fail</li> <li>▪ Types/ sources of market failure: externalities, public goods, monopoly or market power, overproduction and consumption of demerit goods, underproduction and consumption of merit goods,</li> </ul>	<p><b>Taxation</b></p> <ul style="list-style-type: none"> <li>▪ Meaning of taxation</li> <li>▪ Meaning and types of tax (direct and indirect)</li> <li>▪ Types of direct tax (personal income tax, company tax, capital gains tax etc.)</li> <li>▪ Advantages and disadvantages of direct tax</li> <li>▪ Types of indirect tax (import duties, export duties, excise duties, value added tax (VAT) etc.)</li> <li>▪ Advantages and disadvantages of indirect tax</li> <li>▪ Systems/rates of taxation (progressive, proportional, and regressive)</li> <li>▪ Incidence of taxation: meaning and types</li> <li>▪ Effect of tax on businesses</li> </ul> <p><b>Inflation</b></p> <ul style="list-style-type: none"> <li>▪ Meaning of inflation</li> <li>▪ Meaning and measure of rate of inflation</li> <li>▪ Types of inflation</li> <li>▪ Causes of inflation</li> <li>▪ Effects of inflation on consumers and businesses</li> </ul>



		incomplete/ imperfect information etc.	
<b>Term 3</b>	<p><b>Demand and Supply Analysis</b></p> <ul style="list-style-type: none"> <li>▪ Meaning and law of demand for a commodity or service</li> <li>▪ Exceptions to the law of demand</li> <li>▪ Factors that affect the demand for a commodity or service (price of the commodity or service itself, prices of other goods, income of the consumer, price expectations, population, weather, interest rates, credit facilities, taste and preferences, marketing and advertisements, taxation, and festival periods)</li> <li>▪ The concept and importance of elasticity of demand</li> <li>▪ Types of elasticity of demand (price, income, and cross elasticity of demand)</li> <li>▪ Types of price elasticity of demand (elastic, inelastic, unit elastic, perfectly elastic and perfectly inelastic demand)</li> <li>▪ Determinants of price, income, and cross elasticity of demand</li> <li>▪ Uses/ importance of price, income, and cross elasticity of demand</li> </ul>	<p><b>Investment</b></p> <ul style="list-style-type: none"> <li>▪ Meaning of investment</li> <li>▪ Difference between gross investment and net investment</li> <li>▪ Types of investment</li> <li>▪ Factors influencing investment</li> </ul> <p><b>Price Determination, Pricing Policies and Strategies</b></p> <ul style="list-style-type: none"> <li>▪ Meaning of price</li> <li>▪ Types of price (economic, market, penetration, competitive, skimming, dumping etc.)</li> <li>▪ Factors affecting consumer's price assessments (quality of the good, function, status)</li> <li>▪ Determinants of pricing decisions (internal and external factors)</li> <li>▪ Internal factors (cost of production, quality of the product or service, company policies, varied factors)</li> <li>▪ External factors (demand for a product or service, competitors, nature of the good, customers and consumers, distribution channels, government policies)</li> <li>▪ Pricing methods: cost-based, demand-based, and competitive-based pricing methods.</li> </ul>	<p><b>Exchange Rate Determination</b></p> <ul style="list-style-type: none"> <li>▪ Meaning of 'exchange rate'</li> <li>▪ Why do we need an exchange rate?</li> <li>▪ How is an exchange rate determined?</li> <li>▪ Sources of demand for foreign currency</li> <li>▪ Determinants of an exchange rate</li> <li>▪ Appreciation of a currency</li> <li>▪ Depreciation of a currency</li> <li>▪ Exchange rate system</li> <li>▪ Types of exchange rate system (fixed, floating, managed float, crawling peg, dual exchange rate system)</li> <li>▪ Nominal exchange rate and real exchange rate</li> </ul> <p><b>International Trade</b></p> <ul style="list-style-type: none"> <li>▪ Meaning of international trade</li> <li>▪ Advantages and disadvantages of international trade</li> <li>▪ Forms of international trade (importation, exportation, and re-exportation)</li> <li>▪ Why do individuals/ firms/ countries import?</li> <li>▪ Trade barriers</li> <li>▪ Types of trade barriers</li> </ul>



- Meaning and law of supply
- Exceptions to the law of supply
- Determinants of supply (price of the good or service in question, price of other goods, price of factors of production, technology, weather, number of producers, price expectations, factor productivity, taxes and subsidies, natural disasters)
- The concept and importance of elasticity of supply to the firm

**Production and Cost Analysis**

- Meaning of production
- Types of production (direct and indirect-primary, secondary, and tertiary)
- Factors of production (land, labour, capital, and entrepreneurship)
- Scale of production (internal and external)
- Concepts of total, average and marginal products
- The law of diminishing returns/ variable proportions
- The stages of production
- Production possibility curve/ boundary/ frontier
- Meaning of cost
- Distinction between explicit costs and implicit costs

- Pricing adjustments: quantity, cash, seasonal, promotional, geographical and trade discounts.
- Pricing objectives: financial, customer satisfaction, marketing, competition-based, survival objectives.
- Pricing policies and strategies

- Advantages and disadvantages of trade barriers
- Forms of tariff trade barriers: Ad valorem duty, specific duty, compound duty etc.
- Forms of non-tariff trade barriers: quotas, embargoes, voluntary export restraints and government subsidies



- |  |   |  |  |
|--|---|--|--|
|  | <ul style="list-style-type: none"><li>▪ Distinction between economist's and accountant's views of cost and profit</li><li>▪ Cost concepts (total cost, fixed cost, variable cost, average cost, and marginal cost)</li><li>▪ Short run and long run costs</li><li>▪ Economies and diseconomies of scale</li></ul> |  |  |
|--|---|--|--|





## Teaching Syllabus

Topic/Theme/Unit	Expected Learning Outcomes	Recommended Teaching Methods	Suggested Resources	Assessment of Learning Outcomes
<b>Introduction to Business Economics</b> <ul style="list-style-type: none"> <li>▪ Meanings of business, economics, and business economics</li> <li>▪ Economics: scope of economics, economics as a tool for decision making</li> <li>▪ Economics and business decision making</li> <li>▪ Importance of business economics</li> <li>▪ Distinction between economics and business economics</li> <li>▪ Microeconomics and macroeconomics</li> </ul>	<p>At the end of this topic, pupils should be able to:</p> <ul style="list-style-type: none"> <li>▪ define economics and business economics and explain the difference between them</li> <li>▪ discuss the concepts of business economics</li> <li>▪ apply economic concepts and tools to business economics</li> <li>▪ understand the disciplines of business economics</li> <li>▪ appreciate the importance of economics and business economics</li> </ul>	<ul style="list-style-type: none"> <li>▪ Test the pupils' knowledge on the topic to be treated</li> <li>▪ Class participation (including questions from pupils)</li> <li>▪ Group discussion (including movement of teacher from one group to another while listening to their discussions)</li> <li>▪ Direct the minds of the pupils to key areas of each lesson</li> <li>▪ Give notes and other reading materials</li> </ul>	<ul style="list-style-type: none"> <li>▪ Chalk board and chalk</li> <li>▪ White board and white board markers</li> <li>▪ Flip charts and markers</li> <li>▪ Projector/ TV/ Monitor</li> <li>▪ Video (e.g. YouTube)</li> <li>▪ Business journals, newspapers, magazines (articles/features on relevant topics)</li> <li>▪ Guest presenters from business</li> </ul>	<ul style="list-style-type: none"> <li>▪ Assignments on all topics</li> <li>▪ Tests on topics covered</li> <li>▪ Examinations on topics covered</li> <li>▪ Group discussions</li> <li>▪ Presentations</li> </ul>



		<ul style="list-style-type: none"> <li>▪ Give practical examples of concepts</li> <li>▪ Role play/ simulations</li> <li>▪ Allow pupils to watch videos or listen to audios relating to the topic</li> <li>▪ Give summary of each topic</li> <li>▪ Recap on previous lesson</li> <li>▪ Encourage pupils to do more research on the topics covered</li> </ul>		
<p><b>Specialisation and Division of Labour</b></p> <ul style="list-style-type: none"> <li>▪ Meaning of specialisation</li> <li>▪ Features of specialisation</li> <li>▪ Effects of specialisation on productivity</li> <li>▪ Advantages and disadvantages of specialisation</li> <li>▪ Meaning of division of labour</li> <li>▪ Effects of division of labour on productivity</li> <li>▪ Advantages and disadvantages of division of labour</li> </ul>	<p>At the end of this topic, pupils should be able to:</p> <ul style="list-style-type: none"> <li>▪ distinguish between specialisation and division of labour</li> <li>▪ appreciate the effects of both concepts on firm's productivity</li> </ul>			





<p><b>Objectives and Growth of Firms</b> <i>Objectives of Firms</i></p> <ul style="list-style-type: none"> <li>▪ Profit maximisation</li> <li>▪ Growth and expansion</li> <li>▪ Sales maximisation</li> <li>▪ Revenue maximisation</li> <li>▪ Building stakeholder value</li> <li>▪ Social and community objectives</li> </ul> <p><i>Growth of Firms</i> How do firms grow?</p> <ul style="list-style-type: none"> <li>▪ Internal growth of firms</li> <li>▪ External growth of firms: merger/ amalgamation; types of merger (horizontal, vertical - forward and backward, conglomerate); advantages and disadvantages of merger; takeover</li> </ul> <p>Why do firms grow?</p> <ul style="list-style-type: none"> <li>▪ Exploitation of economies of scale</li> <li>▪ Market control</li> <li>▪ Risk reduction</li> </ul> <p><i>Demergers</i> Definition, reasons for demergers (non-existence of synergies, price factor etc.)</p>	<p>At the end of this topic, pupils should be able to:</p> <ul style="list-style-type: none"> <li>▪ explain how and why firms grow</li> <li>▪ distinguish between merger and takeover</li> <li>▪ explain the reasons for demergers</li> </ul>			
<p><b>Cost, Revenue, Profit and Loss of the Firm</b> <i>Cost of the Firm</i></p> <ul style="list-style-type: none"> <li>▪ Definition of cost</li> <li>▪ Types of cost (fixed and variable costs; explicit and implicit costs)</li> </ul>	<p>At the end of this topic, pupils should be able to:</p> <ul style="list-style-type: none"> <li>▪ calculate the cost, revenue and profit of the firm</li> </ul>			





<ul style="list-style-type: none"> <li>▪ Calculation of cost</li> </ul> <p><i>Revenue of the Firm</i></p> <ul style="list-style-type: none"> <li>▪ Definition of revenue</li> <li>▪ Revenue concepts (total, average and marginal revenue)</li> <li>▪ Calculation of revenue</li> </ul> <p><i>Profit of the Firm</i></p> <ul style="list-style-type: none"> <li>▪ Definition of profit</li> <li>▪ Types of profit (normal/ zero profit, abnormal/ supernormal profit)</li> <li>▪ Calculation of profit</li> <li>▪ Profit management</li> </ul> <p><i>Loss of the Firm</i></p> <ul style="list-style-type: none"> <li>▪ Meaning of loss</li> <li>▪ Calculation of loss</li> </ul>	<ul style="list-style-type: none"> <li>▪ establish whether the firm should continue to operate or close down</li> </ul>			
<p><b>Behaviour of Consumers</b></p> <ul style="list-style-type: none"> <li>▪ The decision-making process</li> <li>▪ Buying situations</li> <li>▪ Environmental influences</li> </ul>	<p>At the end of this topic, pupils should be able to:</p> <ul style="list-style-type: none"> <li>▪ understand the decision-making processes that consumer go through as they make a purchase</li> <li>▪ appreciate how those processes differ between different buying situations</li> <li>▪ understand the factors that influence decision-making</li> </ul>			
<p><b>Demand and Supply Analysis</b></p> <ul style="list-style-type: none"> <li>▪ Meaning and law of demand for a commodity or service</li> </ul>	<p>At the end of this topic, pupils should be able to:</p>			



<ul style="list-style-type: none"> <li>▪ Exceptions to the law of demand</li> <li>▪ Factors that affect the demand for a commodity or service (price of the commodity or service itself, prices of other goods, income of the consumer, price expectations, population, weather, interest rates, credit facilities, taste and preferences, marketing and advertisements, taxation, and festival periods)</li> <li>▪ The concept and importance of elasticity of demand</li> <li>▪ Types of elasticity of demand (price, income, and cross elasticity of demand)</li> <li>▪ Types of price elasticity of demand (elastic, inelastic, unit elastic, perfectly elastic and perfectly inelastic demand)</li> <li>▪ Determinants of price, income, and cross elasticity of demand</li> <li>▪ Uses/ importance of price, income, and cross elasticity of demand</li> <li>▪ Meaning and law of supply</li> <li>▪ Exceptions to the law of supply</li> <li>▪ Determinants of supply (price of the good or service in question, price of other goods, price of factors of production, technology, weather, number of producers, price expectations, factor productivity, taxes and subsidies, natural disasters)</li> <li>▪ The concept and importance of elasticity of supply to the firm</li> </ul>	<ul style="list-style-type: none"> <li>▪ understand the meaning of demand and the factors that influence the demand for a product or service</li> <li>▪ understand the meaning of supply and the factors that influence the supply of a product or service</li> <li>▪ appreciate the importance of the concept of elasticity (demand &amp; supply) to the firms</li> </ul>			
--	--	--	--	--





<p><b>Production and Cost Analysis</b></p> <ul style="list-style-type: none"> <li>▪ Meaning of production</li> <li>▪ Types of production (direct and indirect-primary, secondary, and tertiary)</li> <li>▪ Factors of production (land, labour, capital, and entrepreneurship)</li> <li>▪ Scale of production (internal and external)</li> <li>▪ Concepts of total, average and marginal products</li> <li>▪ The law of diminishing returns/ variable proportions</li> <li>▪ The stages of production</li> <li>▪ Production possibility curve/ boundary/ frontier</li> <li>▪ Meaning of cost</li> <li>▪ Distinction between explicit costs and implicit costs</li> <li>▪ Distinction between economist's and accountant's views of cost and profit</li> <li>▪ Cost concepts (total cost, fixed cost, variable cost, average cost, and marginal cost)</li> <li>▪ Short run and long run costs</li> <li>▪ Economies and diseconomies of scale</li> </ul>	<p>At the end of this topic, pupils should be able to:</p> <ul style="list-style-type: none"> <li>▪ apply the factors of production in the production process</li> <li>▪ distinguish between production in the short run and production in the long run</li> <li>▪ identify the stage of production in which production is profitable</li> <li>▪ calculate the total product, average product and marginal product of a firm</li> <li>▪ give the difference between explicit cost and implicit cost</li> <li>▪ appreciate the concept of economies and diseconomies of scale</li> </ul>			
<p><b>Business Organisations</b></p> <ul style="list-style-type: none"> <li>▪ Meaning of a business organisation</li> <li>▪ Types of business organisations (sole proprietorship, partnership, joint-stock companies-private and public, co-</li> </ul>	<p>At the end of this topic, pupils should be able to:</p> <ul style="list-style-type: none"> <li>▪ know the types, features, advantages and</li> </ul>			



<p>operatives etc.)</p> <ul style="list-style-type: none"> <li>▪ Reasons responsible for the choice of a business organisation</li> <li>▪ Basic features of various business organisations</li> <li>▪ Advantages and disadvantages of various business organisations</li> <li>▪ Sources of funds</li> </ul>	<p>disadvantages of business organisations</p> <ul style="list-style-type: none"> <li>▪ identify the sources of funds</li> </ul>			
<p><b>Barriers to Market Entry and Exit</b></p> <p><i>Barriers to Market Entry</i></p> <ul style="list-style-type: none"> <li>▪ Legal barriers</li> <li>▪ Marketing barriers</li> <li>▪ High capital cost</li> <li>▪ High sunk costs</li> <li>▪ Limit pricing</li> <li>▪ Economies of scale</li> <li>▪ Anti-competitive practices</li> </ul> <p><i>Barriers to Market Exit</i></p> <ul style="list-style-type: none"> <li>▪ Time and cost of making employees redundant</li> <li>▪ Notification of suppliers and customers</li> <li>▪ An existing contract to supply goods to other firms</li> <li>▪ Selling of buildings and stocks</li> <li>▪ Payment of lease</li> </ul>	<p>At the end of this topic, pupils should be able to:</p> <ul style="list-style-type: none"> <li>▪ appreciate the fact that businesses may face certain entry barriers as well as exit barriers</li> <li>▪ identify markets with barriers and those without barriers</li> </ul>			
<p><b>Market Structure</b></p> <ul style="list-style-type: none"> <li>▪ Meaning of a market</li> <li>▪ Meaning of market structure</li> <li>▪ Reasons for studying market structure</li> <li>▪ Forms of market structure: Perfect competition, monopoly-price</li> </ul>	<p>At the end of this topic, pupils should be able to:</p> <ul style="list-style-type: none"> <li>▪ understand the meaning and forms of market structures</li> <li>▪ appreciate the reasons why market structure is studied</li> </ul>			





<p>discrimination, monopolistic competition, oligopoly, monopsony, and oligopsony.</p> <ul style="list-style-type: none"> <li>▪ Reasons for the choice of a market structure</li> <li>▪ Features/characteristics of each market structure</li> <li>▪ Price, output, and profit determination under various market structures</li> <li>▪ Advantages and disadvantages of various market structures</li> </ul>	<ul style="list-style-type: none"> <li>▪ choose a market of operation and the rationale for the choice</li> </ul>			
<p><b>Market Failure</b></p> <ul style="list-style-type: none"> <li>▪ Definition of market failure. When markets fail</li> <li>▪ Types/ sources of market failure: externalities, public goods, monopoly or market power, overproduction and consumption of demerit goods, underproduction and consumption of merit goods, incomplete/ imperfect information etc.</li> </ul>	<p>At the end of this topic, pupils should be able to:</p> <ul style="list-style-type: none"> <li>▪ understand the reasons why markets fail</li> <li>▪ realise the consequences of market failure</li> </ul>			
<p><b>Investment</b></p> <ul style="list-style-type: none"> <li>▪ Meaning of investment</li> <li>▪ Difference between gross investment and net investment</li> <li>▪ Types of investment</li> <li>▪ Factors influencing investment</li> </ul>	<p>At the end of this topic, pupils should be able to:</p> <ul style="list-style-type: none"> <li>▪ define investment and understand the types of investment</li> <li>▪ appreciate the factors that determine the level of investment</li> </ul>			



<p><b>Price Determination, Pricing Policies and Strategies</b></p> <ul style="list-style-type: none"> <li>▪ Meaning of price</li> <li>▪ Types of price (economic, market, penetration, competitive, skimming, dumping etc.)</li> <li>▪ Factors affecting consumer's price assessments (quality of the good, function, status)</li> <li>▪ Determinants of pricing decisions (internal and external factors)</li> <li>▪ Internal factors (cost of production, quality of the product or service, company policies, varied factors)</li> <li>▪ External factors (demand for a product or service, competitors, nature of the good, customers and consumers, distribution channels, government policies)</li> <li>▪ Pricing methods: cost-based, demand-based, and competitive-based pricing methods.</li> <li>▪ Pricing adjustments: quantity, cash, seasonal, promotional, geographical and trade discounts.</li> <li>▪ Pricing objectives: financial, customer satisfaction, marketing, competition-based, survival objectives.</li> <li>▪ Pricing policies and strategies</li> </ul>	<p>At the end of this topic, pupils should be able to:</p> <ul style="list-style-type: none"> <li>▪ understand the meaning and types of price</li> <li>▪ appreciate the factors that help consumers to assess the price of a product</li> <li>▪ understand the methods of pricing</li> <li>▪ understand the pricing policies and strategies</li> </ul>			
<p><b>SWOT Analysis in Business</b></p> <ul style="list-style-type: none"> <li>▪ Strengths of the business</li> <li>▪ Weaknesses of the business</li> </ul>	<p>At the end of this topic, pupils should be able to:</p>			





<ul style="list-style-type: none"> <li>▪ Opportunities open to the business</li> <li>▪ Threats to the business</li> </ul>	<ul style="list-style-type: none"> <li>▪ identify the firm's strengths, weaknesses, opportunities and threats</li> <li>▪ use the SWOT Analysis to increase market share</li> </ul>			
<p><b>PESTLE Analysis in Business</b></p> <ul style="list-style-type: none"> <li>▪ Political</li> <li>▪ Economic</li> <li>▪ Social</li> <li>▪ Technological</li> <li>▪ Legal</li> <li>▪ Environmental/ Ecological factors</li> </ul>	<p>At the end of this topic, pupils should be able to:</p> <ul style="list-style-type: none"> <li>▪ apply PESTLE analysis in business operations</li> <li>▪ obtain adequate knowledge of the external factors that influence business operations</li> </ul>			
<p><b>Taxation</b></p> <ul style="list-style-type: none"> <li>▪ Meaning of taxation</li> <li>▪ Meaning and types of tax (direct and indirect)</li> <li>▪ Types of direct tax (personal income tax, company tax, capital gains tax etc.)</li> <li>▪ Advantages and disadvantages of direct tax</li> <li>▪ Types of indirect tax (import duties, export duties, excise duties, value added tax (VAT) etc.)</li> <li>▪ Advantages and disadvantages of indirect tax</li> <li>▪ Systems/rates of taxation (progressive, proportional, and regressive)</li> </ul>	<p>At the end of this topic, pupils should be able to:</p> <ul style="list-style-type: none"> <li>▪ know the meaning of taxation and the effect of tax on businesses</li> <li>▪ understand the types, advantages and disadvantages of tax</li> </ul>			







<ul style="list-style-type: none"> <li>▪ Incidence of taxation: meaning and types</li> <li>▪ Effect of tax on businesses</li> </ul>				
<p><b>Inflation</b></p> <ul style="list-style-type: none"> <li>▪ Meaning of inflation</li> <li>▪ Meaning and measure of rate of inflation</li> <li>▪ Types of inflation</li> <li>▪ Causes of inflation</li> <li>▪ Effects of inflation on consumers and businesses</li> </ul>	<p>At the end of this topic, pupils should be able to:</p> <ul style="list-style-type: none"> <li>▪ know the meaning of inflation and its effects on businesses</li> <li>▪ figure out the types, causes and control of inflation</li> </ul>			
<p><b>Exchange Rate Determination</b></p> <ul style="list-style-type: none"> <li>▪ Meaning of 'exchange rate'</li> <li>▪ Why do we need an exchange rate?</li> <li>▪ How is an exchange rate determined?</li> <li>▪ Sources of demand for foreign currency</li> <li>▪ Determinants of an exchange rate</li> <li>▪ Appreciation of a currency</li> <li>▪ Depreciation of a currency</li> <li>▪ Exchange rate system</li> <li>▪ Types of exchange rate system (fixed, floating, managed float, crawling peg, dual exchange rate system)</li> <li>▪ Nominal exchange rate and real exchange rate</li> </ul>	<p>At the end of this topic, pupils should be able to:</p> <ul style="list-style-type: none"> <li>▪ define exchange rate and to understand the need for exchange rates</li> <li>▪ appreciate the effects of appreciation and depreciation of domestic currency on businesses</li> <li>▪ possess knowledge of the exchange rate system</li> <li>▪ distinguish between nominal and real exchange rates</li> </ul>			
<p><b>International Trade</b></p> <ul style="list-style-type: none"> <li>▪ Meaning of international trade</li> <li>▪ Advantages and disadvantages of international trade</li> </ul>	<p>At the end of this topic, pupils should be able to:</p> <ul style="list-style-type: none"> <li>▪ know the meaning, forms, advantages, and</li> </ul>			



<ul style="list-style-type: none"><li>▪ Forms of international trade (importation, exportation, and re-exportation)</li><li>▪ Why do individuals/ firms/ countries import?</li><li>▪ Trade barriers</li><li>▪ Types of trade barriers</li><li>▪ Advantages and disadvantages of trade barriers</li><li>▪ Forms of tariff trade barriers: Ad valorem duty, specific duty, compound duty etc.</li><li>▪ Forms of non-tariff trade barriers: quotas, embargoes, voluntary export restraints and government subsidies</li></ul>	<p>disadvantages of international business</p> <ul style="list-style-type: none"><li>▪ appreciate the reasons why firms import goods and services</li><li>▪ understand trade barriers and their forms</li></ul>			
---	---	--	--	--

