**SESSION PLAN**

**COURSE: Level 4 Dynamic Business Environments**

**ELEMENT 1: Understanding the role of economics**

**LEARNING OUTCOME 1**

**Explain the role of business economics in understanding markets and the potential impact of current economic issues (Weighting 30%)**

* 1. Discuss the economic view of businesses
  2. Compare different economic systems
  3. Explain the potential impact of governments on business and business environments
  4. Discuss the varying level of competition in markets and the impact on price volatility

**NUMBER OF SESSIONS:** Four - approximately 18 hours in total

**SESSION TOPICS:** Session 1: Discuss the economic views of businesses

Session 2: Compare different economic systems

Session 3: Explain the potential impact of governments on business and business environments

Session 4: Discuss the varying level of competition in markets and the impacts on price volatility

**Note to tutors: This is the recommended session plan for Learning Outcome 1, Element 1 of ABE Level 4 Dynamic Business Environments. You should follow the plan, using the resources (referenced as ‘slides’ here) and activities provided. It is important to enhance all sessions with local examples and case studies, involving the learners ACTIVELY wherever possible. Note: sessions are designed so that they can be ‘chunked down’ depending on the delivery timetable.**

**SESSION 1: Discuss the economic views of businesses (5 hours)**

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| **Topic** | **Tutor Activity** | **Slides** | **Learner Activity** | **Formative Assessment** |
| Introduction to session and learning outcomes | Assessment criterion 1.1: Discuss the economic view of businesses  Use 4UDBE Tutor Presentation E1 | 1-4 |  |  |
| Viewing a business as a transformation process | Explain the concept of a business   * The transformation process * A business as a transformation process | 5-6 | Students to listen, take notes and join in class discussion where encouraged |  |
| Key differences between macro- and micro-economics | Set up a group activity to identify concepts of macro- and micro-economics | 7 | In small groups, do student activity 1  Research the key aspects of micro- and macro-economics and discuss how they link  Students to complete activity | Activity 1, LO1, Micro and Macro Economics |
| Different types of economic measures | Explain the different types of economic measures   * Gross national product * Gross domestic product * Balance of payments * Unemployment and inflation | 8 | Students to listen, take notes and participate in class discussions |  |
| The main classifications of businesses | Explain the different classifications of business   * Primary * Secondary * Tertiary * Public sector * Private sector * Size of business | 9 | Students to listen and participate in class discussions  In small groups students to complete activity 2 and participate in debrief | Activity 2, LO1, Classifications of business |
| The economic environment, principles of scarcity, choice, supply and demand | Explain the concepts   * Scarcity and choice * Supply and demand * Elasticity of demand * Elasticity of supply | 10-11 | Students to listen, take notes and participate in group discussions  In pairs, students to discuss concept of scarcity and choice  Class discussion to debrief answers. | Activity 3, LO1, Scarcity and choice |
| Students to split in pairs and discuss examples of products and services where demand and supply is elastic or inelastic | Activity 4, LO1, Elasticity of supply and demand |
| Changing conditions of demand and supply | Explain the reasons why levels of demand and supply may change   * Change in price * Availability of resources * Innovation and technology * Availability of alternatives   Facilitate class discussion to generate examples |  | Students to listen, take notes and participate in discussion offering examples to support class ideas of why levels of demand and supply may change |  |
| Review of session and learning outcomes | Check completion of all assessment criteria |  | Students to make notes as appropriate to support their planned revision |  |

**SESSION 2: Compare different economic systems (4 hours)**

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| **Topic** | **Tutor Activity** | **Slides** | **Learner Activity** | **Formative assessment** |
| Introduction to session and learning outcomes | Assessment criterion 1.2: Compare different economic systems  Use 4UDBE Tutor Presentation E1 | 12 |  |  |
| Different types of economy | Explain the different type of economic systems   * Centrally planned economy * Market economy * Mixed economy | 13-15 | Students to listen, take notes and participate in group activity | Activity 5, LO1, Advantages and disadvantages of different economic systems |
| Merit and demerit goods | Explain the concept of   * Merit goods * Demerit goods * Public goods | 16-17 | Students to listen and take notes |  |
| Government intervention | Explain the reasons why government may intervene in an economy | 18 | In small groups, discuss the need for government intervention  Present a summary of findings to the class  Students to complete activity | Activity 6, LO1, Government intervention in the provision of merit, demerit and public goods |
| Review of session and learning outcomes | Facilitate class discussion to review key session learning points  (Check all assessment criteria have been covered) |  | Participate in class discussion and share learning points |  |

**SESSION 3: Explain the potential impact of governments on business and business environments (5 hours)**

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| **Topic** | **Tutor Activity** | **Slides** | **Learner Activity** | **Formative assessment** |
| Introduction to session and learning outcomes | Assessment criterion 1.3: Explain the potential impact of governments on business and business environments  Use 4UDBE Tutor Presentation E1 | 19 |  |  |
| Macro environmental objectives | Explain the four main government macro environmental objectives   * Low inflation * Low unemployment * Economic growth * Balance of payment stability | 20 | Students to listen, take notes and participate in paired activity | Activity 7, LO1, Macro environmental objectives |
| Monetary and fiscal policy | Explain the concepts of   * Monetary policy * Fiscal policy | 21-22 | Students to listen, take notes and participate in group discussion | Activity 8, LO1, Monetary and fiscal policy |
| Free trade | Explain the concept and the advantages and disadvantages of free trade | 23 | In pairs/small groups, discuss the advantages and disadvantages of free trade  Present overview of findings |  |
| Barriers to free trade | Explain possible barriers to free trade   * Import tariffs * Import quotas * Embargoes * Non-tariff barriers | 24 | Students to listen, take notes and engage in paired discussion to complete activity | Activity 9, LO1, Barriers to free trade |
| Trade Agreements | Explain the features of key trade agreements   * TPP * TTIP | 25-26 | Students to listen, take notes |  |
| Trading Blocs | Explain the key features of the following trading blocs   * EU * APEC * Mercosur * NAFTA * CAFTA | 27-28 |  |  |
| Review of session and learning outcomes | Question for class discussion:  What are your learning points from this session? |  | Class to engage in discussion and share experiences |  |

**SESSION 4: Discuss the varying level of competition in markets and the impact on price volatility (4 hours)**

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| **Topic** | **Tutor Activity** | **Slides** | **Learner Activity** | **Formative assessment** |
| Introduction to session and learning outcomes | Assessment criterion 1.4: Discuss the varying level of competition in markets and the impact on price volatility  Use 4UDBE Tutor Presentation E1 | 29 |  |  |
| Perfect competition | Explain the concept of perfect competition   * Identical goods * Perfect information * Prices set by market forces * No barriers to entry/exit | 30 | Students to listen and take notes |  |
| Monopoly | Explain the concept of monopoly | 31 | Students to listen and take notes | Activity 10, LO1, Types of competition |
| Oligopoly | Explain the concepts of oligopoly and also   * Collusion * Cartels * Anti-competitive behaviour | 32 | Students to listen and take notes |  |
| Monopolistic competition | Explain the features of monopolistic competition   * Limited entry/exit to market * Imperfect competition * Lack of substitutes | 33 | Students to listen, take notes and participate in group discussion |  |
| The advantages and disadvantages of different market conditions | Set class into groups to discuss the advantages and disadvantages of perfect competition, monopoly, monopolistic competition and oligopoly |  | Students to take part in group discussion  Present an overview of findings | Activity 11, LO1, The advantages and disadvantages of different types of competition |
| The impact of price volatility in different markets | Explain the reasons for price volatility around the world;   * Political instability * Shortage of resources * Increased population * Emerging economies | 34 | Students to listen and take notes |  |
| Review of session and learning outcomes | Class discussion to consider key areas covered in this session |  | Students to engage/share learning points |  |