

Syllabus and study guide

Enterprise and Entrepreneurship

Essential Employability Module



July 2027 to August 2028

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1. Overall aim of the syllabus

Business and entrepreneurship are essential for economic development, progress and innovation, and the operation of society. Through this module candidates will learn about what a business enterprise is, the purpose of business activity, the dynamic nature of business and the factors which exert influence on business operations and behaviour. For aspiring accountants working in any type of enterprise, whether it is a small organisation or a large multinational, or even if they plan to start their own businesses, knowledge and understanding of these matters is essential.

2. Introduction to the syllabus

The syllabus for the Enterprise and Entrepreneurship Essential Employability Module begins with an introduction to the purpose of a business, the reasons for starting a business and the basic functions and types of business. This leads into the different types of legal structures which can be adopted for businesses.

Next the syllabus addresses the concept of the performance hierarchy and the need for businesses to have objectives and the importance for business to measure performance against those objectives, whilst recognising that objectives will differ depending on the business characteristics and the external environment in which it operates. A key part of the performance hierarchy is the relationship between a business and its stakeholders and the impact which stakeholders can have on the strategy and plans of a business.

The syllabus then covers how businesses can be structured, why it is important to have an appropriate structure and the factors which drive that choice. Culture also plays an important role, and business structure is one factor which helps to shape the culture of a business. The functions of a business and their importance are also addressed, including a specific focus on the role of the finance function. This leads into why businesses need finance and the different sources of finance available to them. Information technology is key to efficient and effective operations so the main applications and systems used in business are covered with consideration of the risks businesses face in relation to data and technology and the controls which will be required to protect systems, software and data.

Businesses are influenced by the environment and the industries in which they operate and so it is important to address the factors which will impact a business and consider the strategies which can be implemented to respond to changing conditions. A vital aspect of this is the relationship between a business and its customer and the commercial actions which businesses will take.

Finally, the syllabus introduces entrepreneurship with a focus on the qualities required for successful entrepreneurs and the characteristics which define an entrepreneurial culture which then leads into the process and requirements for starting a business.

3. Guide to learning and assessment

The Enterprise and Entrepreneurship Essential Employability Module is an innovative learning and assessment experience. The main capabilities will be developed through an engaging learning journey which will include both interactive assessment activities to build employability skills, and opportunities to check knowledge and understanding throughout.

The syllabus for the Enterprise and Entrepreneurship Essential Employability Module will be reviewed annually.

4. Learning hours and education recognition

As a member of the International Federation of Accountants, ACCA seeks to enhance the education recognition of its qualification on both national and international education frameworks, and with educational authorities and partners globally. In doing so, ACCA aims to ensure that its qualifications are recognised and valued by governments and regulatory authorities and employers across all sectors. To this end, ACCA qualifications are currently recognised on the educational frameworks in several countries. Please refer to your national education framework regulator for further information about recognition.

5. Main capabilities

The following knowledge will be developed throughout this module:

- Familiarity and knowledge of business terminology commonly used in organisations and the accountancy profession
- Understanding of the internal and external drivers of business and the legal structures applicable to business
- Recognition of the connections between a business' mission and objectives and how it conducts its operations
- Understanding of the different functions of business and how they link together to drive success
- Awareness of the impact of technological advances on business and how they can be leveraged
- Understanding entrepreneurship and the requirements to start up a business

The module can support the development of the following employability skills:

Communication

- Ability to use business language to communicate effectively within the workplace and describe and explain business activities and operations

- Demonstration of effective communication to a variety of internal and external stakeholders
- Selection of appropriate methods of communication depending on the information being presented and the needs of the user

Analysis

- Ability to analyse business activities and proposals taking into consideration a range of factors
- Creation and use of information to draw conclusions and suggest solutions using a range of techniques and methods
- Ability to produce high quality and accurate information to support decision making

Self-management

- Recognition that organisational priorities may change and the need to be flexible and resilient
- Demonstration of responsibility for carrying out a range of activities where there is clear guidance
- Ability to act with initiative in identifying areas for personal development to improve performance

Innovation

- Ability to contribute to organisational improvement and efficiency initiatives
- Application of appropriate tools and technology to improve efficiency and effectiveness
- Use of different approaches to formulate evidence-based responses to defined and/or routine issues

Collaboration

- Development of a collaborative mindset and understanding of the importance of collaboration across a business
- Ability to identify situations where it is important to consult with senior people or experts
- Demonstration of awareness of cultural and language differences and the benefits of taking diversity into consideration

6. The syllabus

Unit 1

Introduction to business

Unit 2

Business ownership

Unit 3

Business aims and objectives

Unit 4

Stakeholders

Unit 5

Business structures and culture

Unit 6

Business operations and the role of the
finance function

Unit 7

Sources of finance and the importance of
cash flow

Unit 8

The role of technology in business

Unit 9

Customer needs and the role of marketing

Unit 10

External factors and competition

Unit 11

Introduction to entrepreneurship

Unit 12

Starting up a business

7. Detailed study guide

1 Introduction to business

1. Explain what a business is and the reasons for starting a business.
2. Explain the terms – goods, services, needs and wants, and summarise the differences between them.
3. Explain the meaning of the factors of production – land, labour, capital and enterprise.
4. Define the concept of an opportunity cost.
5. Define the four economic sectors of primary, secondary, tertiary and quaternary.

2 Business ownership

1. Define different types of businesses – sole trader, partnership, private limited companies, public limited companies and not-for-profit organisations.
2. Explain the different legal structures which businesses adopt.
3. Explain the benefits and drawbacks of each legal structure.
4. Explain the concept of limited liability.
5. Identify which legal structures would be most appropriate for a variety of businesses including start-ups.

3 Business aims and objectives

1. Identify and explain the main aims and objectives for businesses.
2. Explain what is meant by the performance hierarchy.

3. Explain why mission, aims and objectives are important for running a business.
4. Explain why aims and objectives will differ between businesses.
5. Explain why aims and objectives change as businesses evolve.

4 Stakeholders

1. Define the agency relationship and how it may vary in different types of business organisations.
2. Define internal, connected and external stakeholders and explain their impact on the organisation.
3. Identify the main stakeholder groups and the objectives of each group.
4. Explain how the different stakeholders interact and how their objectives may conflict with each other.
5. Identify and compare the power and interest of various stakeholder groups and explain how their needs should be managed.

5 Business structures and culture

1. Explain why it is important that businesses have a clear internal organisation structure.
2. Explain the concept of a hierarchical structure including chain of command, span of control and layering.
3. Define centralisation and decentralisation and explain the advantages and disadvantages of both.
4. Summarise the differences between types of organisational structures – functional, matrix, divisional (including product-focused and region-specific) and virtual, and explain their advantages and disadvantages.

5. Define organisational culture and describe the factors which shape the culture of an organisation.

6 Business operations and the role of the finance function

1. Identify and explain the key activities of production/manufacturing organisations and service organisations.
2. Explain the key role of procurement and logistics.
3. Explain the important role of human resources and its key areas of focus.
4. Explain the importance of marketing and customer service.
5. Explain the role of the finance function within a business and its interactions with other functions.

7 Sources of finance and the importance of cash flow

1. Identify why businesses need finance.
2. Identify and explain short term sources of finance.
3. Identify and explain long term sources of finance.
4. Explain the types of finance available to small and medium enterprises (SMEs).
5. Identify and describe the different types of Islamic finance.

8 The role of technology in business

1. Identify and explain the impact of information technology on business operations and communications.
2. Identify and describe business uses of computer and information technology software applications.

3. Describe the main financial systems used within an organisation.

4. Explain the impact of recent advances in technology on business, for example cloud computing, big data and data analytics, artificial intelligence and automation.
5. Explain the importance of information security (cyber-security) and identify the key risks to data and how they can be managed.

9 Customer needs and the role of marketing

1. Explain why it is important for a business to understand its customer needs.
2. Describe the four Ps of the marketing mix and how they work together.
3. Define and explain the product life cycle.
4. Explain the concept of a product portfolio and the importance of product development.
5. Identify and describe the different promotion options available to businesses.

10 External factors and competition

1. Explain how the political system and government policy, including supra-nationals, affect the organisation.
2. Explain how social and demographic trends impact business decisions and outcomes.
3. Explain the concept of a competitive market and its effects on a business.
4. Identify a business' strengths, weaknesses, opportunities and threats (SWOT) in a market and the main sources of competitive advantage.

5. Explain the factors or forces which influence the level of competitiveness in an industry or sector.

11 Introduction to entrepreneurship

1. Explain what is meant by an entrepreneur.
2. Describe the qualitative characteristics required by entrepreneurs.
3. Explain the different objectives which entrepreneurs may have.
4. Define what is meant by an entrepreneurial culture.
5. Describe how technology has created different routes to entrepreneurship.

12 Starting up a business

1. Explain the initial steps for starting up a business.
2. Explain the importance of financial planning and deciding on funding options.
3. Explain the different legal requirements which may need to be considered when starting a business.
4. Describe the tools and software most start-up businesses will need.
5. Explain the importance of networking to drive growth of a business.