

## Teacher guide

### Political influences - Logica

#### Where does the lesson fit?

This session would fit in a Business Environment or External Influences Module. It could follow a general introduction to external influences and be used alongside other sessions to explore the PEST factors in more detail.



#### Suggested resources & activities related to PEST and Logica.

- Full Logica case study
- External Influences PowerPoint
- Economic influences, Social influences and Technological influences lesson resources
- Logica crossword
- Logica word search

#### Suggested timings for the session

5 mins	Starter e.g. Logica word search
5 mins	Use the Political influences PowerPoint to discuss the topic
5 mins	Read the case study
10 mins	Questions
25 mins	Task – research
10 mins	What have you learned?

#### Answers to questions

1. What does PEST stand for?
  - Political (includes legal)
  - Economic
  - Social (includes environmental)
  - Technological



## **THE TIMES 100**

### **BUSINESS CASE STUDIES**

2. Describe the 'external environment'.

The external environment refers to those things outside of the operations of an organisation which impact upon it but over which the business has no control.

3. Explain why PEST analysis is used by firms.

PEST analysis is used by firms to assess the external business environment in which they operate. Managers and directors can then make decisions on their findings. PEST analysis therefore will inform any new objectives being set and the marketing strategy for the firm.

4. Evaluate whether government policy changes are always bad for firms like Logica.

On one hand policy changes may negatively impact upon firms because...

- Funding for various activities may be reduce
- Costs may increase e.g. having to fund the training of workers rather than being able to recruit trained graduates
- Business activities may be curbed

However, on the other hand...

- Firms can benefit from addressing key issues brought about by policy changes e.g. firms like Logica helping businesses to become more sustainable and environmentally friendly

### **What have you learned?**

Expected learning is likely to include:

- Definition of the external business environment
- PEST factors
- Use of PEST analysis is used within organisations
- How firms respond to external factors
- Political factors affecting businesses both positively and negatively
- Examples of these factors