

New Academic Structure Review
(Medium-term) –
Moving Forward to Excel

Curriculum Development Council (CDC)

Hong Kong Examinations and Assessment Authority (HKEAA)

Education Bureau (EDB)

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1. Background of the NAS Review (Medium-term)

1.1 The New Senior Secondary (NSS) curriculum and assessment of the New Academic Structure (NAS) is a major policy initiative recommended by the Education Commission (EC) in 2000, and implemented since 2009 at Secondary 4. Upon the smooth completion of the first cycle of NSS with positive impacts on schools and students, the NAS review was conducted in 2012/13 jointly by the Curriculum Development Council (CDC), the Hong Kong Examinations and Assessment Authority (HKEAA) and the Education Bureau (EDB) to respond to the concerns and to fine-tune the delivery of the NAS. As part of the consultation process, the document: *Introduction to New Academic Structure Review* was issued and uploaded to the EDB website on 5 October 2012 to collect feedback from the school sector, stakeholders and the public.

1.2 A progress report (the Report) on the NAS Review: *The New Senior Secondary Learning Journey – Moving Forward to Excel* with details of the fundamental changes, achievements and challenges of the NAS as well as an overview of the short-term recommendations for fine-tuning the NSS curriculum and assessment, was released on 19 April 2013 and uploaded onto the designated webpage (<http://www.edb.gov.hk/nas/review>), followed by a circular memorandum (EDBCM No. 48/2013) to schools summarizing the short and medium-term recommendations and the critical milestones for implementing the short-term recommendations on 30 April 2013.

1.3 Meanwhile, the medium-term review is recommended to address the unresolved issues that may require a longer time and a more holistic/macro-approach to the NAS/NSS policy. **This document provides further guidelines and information on the medium-term review taking into consideration feedback received after the Report was made public.** A summary of the short- and medium-/long-term recommendations is attached in Appendix 1 and the critical milestones for key actions on NAS Review are listed in Appendix 2.

1.4 Following the announcement of medium-term recommendations, review of all senior secondary subjects should be conducted on a regular basis taking into consideration the subjects' needs and the regular curriculum and assessment development cycle. The regular review of

the curriculum and assessment for all subjects should adhere to the review mechanism and respond to needs appropriate to the development of the subject. Other issues related to curriculum and assessment but outside the curriculum and assessment development cycle would be suitably discussed and communicated to relevant partner organisations and stakeholders.

2. Major Feedback on the Report

2.1 A series of briefing sessions for the Report and all NSS subjects, ApL and OLE were held from 29 April to end-May 2013 to collect feedback from the school sector. Different views were also gathered from the continuous communication with different stakeholders and details of the feedback under different categories are presented in Appendix 3. The major ones have focused on curriculum and assessment and they include:

- (1) The streamlining of the curriculum and assessment including SBA for the short-term is generally welcome by schools, though there are requests for further fine-tuning of curriculum and public examination in certain subjects.
- (2) Schools need to further understand the issues of the breadth and depth of each NSS curriculum especially after the streamlining, and there is a request for more support such as provision of supplementary notes.
- (3) Catering for learner diversity remains a big concern and there is a need to help schools address this with more support and flexibility in learning and teaching as well as arranging lesson time.
- (4) Comprehensive review of SBA should be conducted to address the issue of cross-subject coordination and workload.
- (5) Stakeholders have also expressed concerns on some interface issues like the implementation of admission policy by post-secondary institutions, the impact of NSS on post-secondary studies, and supportive conditions for schools.

3. Objectives of the Review

3.1 The NAS Review is an ongoing process to facilitate the continual implementation of the NAS/NSS policy for bettering student learning. Subsequent to the announcement of the short-term recommendations, the medium-term review was recommended to: (1) follow up on the major feedback on the Report made public in April 2013; (2) address the unresolved issues in various subjects and curriculum areas which require a longer time and a more holistic/macro-approach to the policy; (3) sustain regular review of the curriculum and assessment of all subjects while adhering to the review mechanism and respond to the needs appropriate to the development of the subjects; and (4) further fine-tune the recommendations in the medium-term review with reference to qualitative and quantitative data and feedback collected throughout the process.

4. Overarching Principles for the Review

4.1 The short-term review recommendations have been made based on a set of principles and considerations for the NSS curriculum and assessment. The principles would continue to be observed with emphasis on the following for consistency and sustainability of the reform:

4.2 Student interest comes first

Consistency of justifications and professional rationales would be observed when making the medium-term recommendations at systemic, whole-school and subject levels, e.g. keeping or deferring School-based Assessment (SBA) in some subjects according to its suitability. Notwithstanding the uniqueness and different review cycles of individual subjects, all curricula would be considered holistically to review the balance of content in both the curriculum and the assessment, and the balance between examination and SBA used in some subjects. Recommendations would be implemented as early and practicable as possible for students and schools respectively with a shared vision.

4.3 Continuous collection of feedback & information/evidence-driven

The medium-term review would build on the recommendations made and published in the Report and make further recommendations for improvement. Feedback on the short-term recommendations is an

important source of data to be considered to fill the gaps and respond to concerns. The review is evidence-driven and will continue to take all relevant quantitative data and qualitative information collected from different sources into consideration in the decision-making process.

4.4 *Consistent and aligned fundamental paradigm changes*

The NSS learning goals would be revisited and the fundamental changes in learning, teaching and assessment would be continuously embraced and fine-tuned in order to support student learning and whole-person development with corresponding changes in the public assessment, as well as wider curriculum changes in the primary and junior secondary years.

4.5 *Contemporary curriculum design to align with continuous collection of feedback*

The design principles of the NSS curricula and assessment would be revised, as appropriate, and formulated to gear towards achieving (4.4) above with an aim to keep abreast with the latest change in the field. The NSS curricula and assessment are never static and their strengths will be derived from regular and ongoing review, while taking into consideration the original design principles of the following:

- striking a balance between breadth and depth;
- striking a balance between theoretical and applied learning at whole school level/subject level;
- striking a balance between essential learning and a flexible and diversified curriculum;
- ensuring progression of studies; and
- ensuring greater coherence both vertically and horizontally.

4.6 *Maintaining international standards*

International benchmarking and high standards would continue to be maintained while considering further streamlining of the curriculum and assessment to give schools more flexibility, space and support in addressing the workload issue as well as catering for learner diversity without compromising the curriculum objectives.

4.7 *Flexibility for different school contexts*

The review is premised on a system which remains flexible enough to allow further adaptation and improvement, and is responsive to feedback from schools and the need for change, while overall standards and curriculum aims for each subject will be maintained. For instance, a flexible range of total lesson time at 2,400±200 hours is adopted to cater for school diversity and individual needs and contexts.

4.8 *Maintaining existing and transparent mechanism as well as close communication with stakeholders for further engagement*

The existing transparent mechanism would continue to be adopted in the review and consultation process, which includes a healthy divergence and balance of professional views in reaching the best possible recommendations for the medium-term review. A comprehensive engagement and rigorous consultation process would also be adopted at all levels to engage all relevant stakeholders and collect views to inform the decisions.

5. Major Issues for Deliberation

5.1 While the major feedback on the Report will be followed up, all subjects will continue to conduct ongoing and regular review of their curriculum and assessment. Some specific issues have been identified for further deliberations, which include holistic review on the total impact of SBA as well as the curriculum and assessment in the nine NSS subjects (Chinese Language, Liberal Studies, Mathematics, Business, Accounting and Financial Studies, Chinese Literature, Economics, Ethics and Religious Studies, Geography, Health Management and Social Care) and Applied Learning. Further exploration on the HKDSE Examination and further studies on other emerging issues (e.g. the “unintended impact” of the student programme) will also be conducted. Details of the major issues for deliberation are summarised in Appendix 4.

6. The Policy Review Structure and Mechanism

Principle-based membership of CDC and its committees

6.1 As advisory bodies to curriculum and assessment, CDC and its committees will continue to play a key role in the medium-term review. Principle-based membership of CDC and its committees will continue to be upheld. To ensure a healthy turnover of membership in the committees, 6-year rule is observed as far as possible in the appointment mechanism to bring in new blood and fresh perspectives for the medium-term review while maintaining their long-term continuity. For the nomination of CDC-HKEAA Committees, there has been joint dialogic discussion and nominations between CDI and HKEAA based on agreed criteria including a well-balanced representation.

Professional discussions and extensive consultations at all levels

6.2 CDC and its committees are widely represented by tertiary institutions, school heads and practicing teachers, bringing in both frontline and professional perspectives for decision making and implementation. Both subject experts and experts in teacher education from tertiary institutions are represented in most committees. The diverse and balanced membership at all levels enables engagement of different views and multiple perspectives with healthy tension. Feedback will also be collected through extended professional channels including Principals' Liaison Meetings, Liaison Group on "334" Interface Issues, forums, networks, focus group interviews and surveys.

Joint roles of CDC and HKEAA

6.3 CDC and HKEAA are tasked to develop the whole school curricula and public examination system as well as promote assessment literacy to support curriculum development for the local education system through CDC and HKEAA committees. CDC Committees (CDCC) serve as a forum for formulating directions of development in the eight Key Learning Areas (KLAs) and Liberal Studies, and mapping out plans and strategies for the development of different curricula including school subjects. They are widely represented by tertiary institutions, professional bodies, school heads and practicing teachers, bringing both frontline and professional perspectives necessary for decision-making and implementing the recommendations. While some members are appointed by the government, some are nominated by school principals or the

tertiary institutions. Both CDC and HKEAA will readily engage, communicate and consult all relevant stakeholders at different stages. CDC and HKEAA will also communicate with CDCC and set directions for the KLA's curriculum and assessment design, and receive feedback and recommendations by various stakeholder groups. The recommendations made by the various committees will be forwarded to the CDC and HKEAA for their comment and endorsement.

Roles of CDC, HKEAA and all committees (and working groups) in the review

6.4 CDC, with its secretariat support provided by EDB, is advising on all matters relating to curriculum development for the school system from kindergarten to the sixth form while HKEAA takes care of all matters relating to assessment and public examinations. Following the steer and the directions from CDC and HKEAA, the relevant CDCC, HKDSE Subject Committees and CDC-HKEAA Committees (One Committees) will make continuous joint efforts to deliberate on the medium- and long-term suggestions with professional and secretariat support from EDB and HKEAA. Separate and joint meetings will be held (please refer to the Table on the Proposed Schedule) as necessary. It is expected that all the committees and working groups will continue to:

- (1) make further recommendations on fine-tuning the curriculum and assessment of the subjects, updating and improving the curriculum contents, and assessment design (including SBA) with reference to the guiding principles for the NSS curriculum, the overarching principles for the review as well as feedback and data collected through different channels, e.g. surveys and forums in the past few months on the recommendations for the betterment of student learning.
- (2) suggest and provide further information that helps towards understanding the NSS curricula, including their breadth and depth, and prepare supplementary notes or resource materials to support the early implementation of the revised subject curriculum and assessment where necessary.
- (3) recommend significant issues that would require more data and deliberation to be further discussed or reviewed at the long-term stage, with a systematic, feasible plan as well as a proposed schedule in order to

benefit students and schools as soon as possible (i.e. from 2019 HKDSE Examination onwards).

(4) contribute general feedback and recommendations for the broader review of the NSS curriculum and assessment such as the direction of curriculum development, learning and teaching, assessment practices, support measures for schools and students, etc, while taking a balanced professional view embracing both a holistic and a subject perspective.

7. The Review Mechanism, Engagement and Communication

7.1 The medium-term review would be co-ordinated jointly by EDB, CDC and HKEAA for relevant issues and the 24 NSS subjects, and conducted by the relevant CDC Committees, HKDSE Subject Committees and One Committees. CDCC will first discuss and decide on the key issues to review, and work out the strategic/action plans for their KLA/subject. One Committees set up under CDCC and HKEAA Public Examinations Board (PEB) will take the direction from CDCC and PEB and decide on detailed action plans as well as the setting up of working groups on a need basis. The HKDSE Subject Committees will work with the relevant committees to make proposals concerning assessment changes, taking into consideration the impact of the examination feedback on the review and recommendations. All committees will work collaboratively as necessary (e.g. including joint meetings) to deliberate on and to address critical issues and recommendations.

7.2 It is important to continue to adopt the existing transparent mechanism and conduct comprehensive consultations at all levels (e.g. consultation sessions, forums, questionnaires and focus group interviews) to engage all relevant stakeholders particularly the school sector as appropriate. School surveys would be conducted on the recommendations to collect views to inform the final recommendations as necessary. CDC and HKEAA will also engage different stakeholders and maintain close communication with other partner organisations and stakeholder groups via relevant/regular liaison meetings such as Principals' Liaison Meeting, Liaison Group on "334" Interface Issues and Employer Working Group.

8. Recommendations, Reporting and Dissemination

8.1 Recommendations by the relevant committees are expected to be available in March/April 2014, and endorsed in the joint CDC-PEB meeting in April/May 2014.

8.2 Based on the overarching principles that govern our review and to address schools' concerns as well as benefit students as soon as possible but yet to accommodate different needs of time among subjects/issues, **announcement of the first batch of medium-term recommendations would be made in July 2014** so that schools could prepare and plan for the coming school year. While the short-term recommendations are for teaching at Secondary 4 in the 2013/14 school year (sy) leading to the 2016 HKDSE Examination, **the medium-term recommendations could be made for teaching at Secondary 4 in the 2014/15 sy or 2015/16 sy leading to the 2017 or 2018 HKDSE Examination** respectively to benefit students and schools at the earliest possible time. **The last batch of medium-term recommendations would be made no later than July 2015.**

8.3 EDB and HKEAA would advise/facilitate the development of necessary support materials or other measures for schools' use in learning and teaching while making it flexible for textbook publishers to produce the textbooks as necessary.

8.4 There will be close communication between CDC and HKEAA with reports made to EC and LegCo as appropriate, while steer will be provided by the senior management of EDB and HKEAA through frequent meetings and discussions as well as seamless collaboration.

9. Schedule, Information and Contacts

9.1 Extensive consultation has been conducted at the short-term stage with all relevant stakeholders (school sector, post secondary institutions, educational/professional bodies, employers, etc.), from which recommendations and suggestions for the short- and medium-term were formulated. Building on the feedback collected on the recommendations, the medium-term review would address the unresolved issues through

structured meetings and discussions between CDC and HKEAA as well as continuous stakeholder consultation and engagement, in particular the school sector. The proposed schedule for the medium-term review is outlined as follows. The NAS review designated webpage (http://334.edb.hkedcity.net/EN/334_review.php) will continue to provide information and events related to the review and further development.

Proposed Schedule for the NAS Review (Medium-term)

Time Line	CDC/HKEAA meetings	Engagement of the school sector	Engagement of other key stakeholders
Sep - 2013	<p>1st round –</p> <ul style="list-style-type: none"> • CDC to discuss and set directions for the review • CDCC hold their first meeting and discuss the medium-term review for the relevant subjects • One Committees formed under CDCC 	<ul style="list-style-type: none"> • Continuous collection of views from schools 	<ul style="list-style-type: none"> • Continuous collection of views from liaison meetings and stakeholder groups e.g. post-secondary institutions, parents, employers, etc.
Oct 2013	<p>2nd round –</p> <ul style="list-style-type: none"> • One Committees and HKDSE Subject Committees hold their first meetings to review the 2013 exam and feedback on curriculum and assessment matters and discuss the medium-term review for the relevant subjects (joint meeting could be held as necessary) • Working groups formed on subject basis, on need basis and whenever necessary 	<ul style="list-style-type: none"> • Public announcement of the review • CM to schools to launch the review, invite comments and collect feedback • Meetings with school representatives and professional bodies 	<ul style="list-style-type: none"> • Continuous collection of views from liaison meetings and stakeholder groups • Focus groups/ meetings with stakeholders
Nov 2013 - Jan 2014	<ul style="list-style-type: none"> • One/Subject Committees /Working groups to deliberate on critical issues • CDCC, One Committees, Subject Committees and working groups to deliberate on the recommendations and propose changes for soliciting feedback from schools and other concerned groups / educational bodies • CDC and PEB to discuss and advise on the 	<ul style="list-style-type: none"> • Focus group interviews with each subject group, principals / middle managers, etc • Report/ Feedback on the interim results of the review • Collect schools' feedback on the initial proposals if any 	<ul style="list-style-type: none"> • Collection of views from liaison meetings and stakeholder groups on initial proposals if any • Focus groups/ meetings with stakeholders

Time Line	CDC/HKEAA meetings	Engagement of the school sector	Engagement of other key stakeholders
	recommendations		
Feb 2014	<ul style="list-style-type: none"> • Meetings to be held as necessary 	<ul style="list-style-type: none"> • <i>Survey to schools on the recommendations on curriculum and assessment design if any</i> • <i>Focus group interviews with each subject group, principals / middle managers, etc whenever necessary</i> 	<ul style="list-style-type: none"> • Collect feedback from schools and stakeholders to inform further improvement of the proposals
Mar 2014	3rd round – <ul style="list-style-type: none"> • Joint CDCC, One Committees, Subject Committees and working groups to discuss final proposals 	<ul style="list-style-type: none"> • Collect schools’ feedback on the final proposals 	<ul style="list-style-type: none"> • Finalize proposals & collect views on the final proposals
Apr/ May 2014	<ul style="list-style-type: none"> • Submission of finalised proposals for endorsement in Joint CDC–PEB meeting 	<ul style="list-style-type: none"> • Disseminate recommendations to schools, teachers, professional associations 	<ul style="list-style-type: none"> • Disseminate recommendations to liaison meetings, stakeholder groups, overseas strategic partners
July 2014	Announcement of first batch of medium-term recommendations		
Sep 2014		<i>Briefing sessions for schools as necessary</i>	<ul style="list-style-type: none"> • Explain and collect feedback on the recommendations • <i>Supplementary notes/resource materials to be provided to schools as necessary</i>
Oct 2014	<ul style="list-style-type: none"> • CDC, CDCC, One Committees, Subject Committees and working groups to continue to deliberate on critical issues as necessary 	<ul style="list-style-type: none"> • Continuous collection of views from schools 	<ul style="list-style-type: none"> • Continuous collection of views from liaison meetings and stakeholder groups

Time Line	CDC/HKEAA meetings	Engagement of the school sector	Engagement of other key stakeholders
Oct/Nov 2014	<ul style="list-style-type: none"> • CDCC, One Committees, Subject Committees and working groups to deliberate on the recommendations and propose changes for soliciting feedback from schools and other concerned groups / educational bodies 	<ul style="list-style-type: none"> • <i>Survey to schools on the recommendations on curriculum and assessment design if any</i> • <i>Focus group interviews with each subject group, principals / middle managers, etc whenever necessary</i> 	<ul style="list-style-type: none"> • Collect feedback from schools and stakeholders to inform further improvement of the proposals
Nov 2014 –Jan 2015	<ul style="list-style-type: none"> • CDCC, One Committees, Subject Committees and working groups to discuss and improve proposals based on feedback 	<ul style="list-style-type: none"> • Continuous collection of views from schools 	<ul style="list-style-type: none"> • Continuous collection of views from liaison meetings and stakeholder groups
Feb 2015	<ul style="list-style-type: none"> • CDC and PEB to discuss and advise on the recommendations • Meetings to be held as necessary 	<ul style="list-style-type: none"> • Continuous collection of views from schools 	<ul style="list-style-type: none"> • Continuous collection of views from liaison meetings and stakeholder groups
Mar 2015	<ul style="list-style-type: none"> • Joint CDCC, One Committees, Subject Committees and working groups to discuss final proposals 	<ul style="list-style-type: none"> • Collect schools' feedback on the final proposals 	<ul style="list-style-type: none"> • Finalize proposals & collect views on the final proposals
Apr/May 2015	<ul style="list-style-type: none"> • Submission of finalised proposals for endorsement in Joint CDC–PEB meeting 	<ul style="list-style-type: none"> • Disseminate recommendations to schools, teachers, professional associations 	<ul style="list-style-type: none"> • Disseminate recommendations to liaison meetings, stakeholder groups, overseas strategic partners
July 2015	Announcement of last batch of medium-term recommendations		

- Flexibility (e.g. in time frame, methods) will be given in order to cater for the actual review or developmental needs of each NSS subject or curriculum/assessment aspect
- The schedule and milestones are subject to change wherever necessary

9.2 Schools, teachers and all sectors of society are welcome to give opinions and suggestions so that viable plans can be made to continually enhance the quality of education in Hong Kong.

Please feel free to send your comments and suggestions on the review to:

Education Bureau	Hong Kong Examinations and Assessment Authority
<p>Chief Curriculum Development Officer (Council and Secondary) Curriculum Development Institute Education Bureau Room 1302, Wu Chung House 213 Queen's Road East Wanchai Hong Kong</p> <p>Fax: 2573 5299 Email: councilandsecondary@edb.gov.hk</p>	<p>General Manager Assessment Development Division Hong Kong Examinations and Assessment Authority 13/F Southorn Centre 130 Hennessy Road Wanchai, Hong Kong</p> <p>Fax: 3628 8091 Email: add@hkeaa.edu.hk</p>

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1) Policy Documents

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2) Curriculum and Assessment Documents

- Curriculum Development Council and the Hong Kong Examinations and Assessment Authority (2007) *Curriculum and Assessment Guides Secondary 4-6) for the 24 NSS Subjects*, Hong Kong: Curriculum Development Council and the Hong Kong Examinations and Assessment Authority.
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- Curriculum Development Council, Hong Kong Examinations and Assessment Authority and Education Bureau (2013) *Progress Report on the New Academic Structure Review: The New Senior Secondary Learning Journey - Moving Forward to Excel*, Hong Kong: Curriculum Development Council, Hong Kong Examinations and Assessment Authority and Education Bureau

3) Websites

- The New Academic Structure for Senior Secondary Education and Higher Education – NAS Web Bulletin, Hong Kong: Education Bureau. (<http://www.edb.gov.hk/nas>)
- Website for the HKDSE, Hong Kong: Hong Kong Examinations and Assessment Authority. (<http://www.hkeaa.edu.hk/tc/hkdse/>)

Summary of short-term and medium-/long-term recommendations

Details of the recommendations for the short-term and medium-/long-term are given below. EDB and HKEAA will continue to provide schools with support measures in the implementation of the fine-tuned curriculum and assessment, e.g. supplementary notes, resource packages, exemplars, and professional development programmes.

Subject	Short-term (Effective from 2013/14 sy)	Medium-/Long-term (Issues to explore)
Chinese Language	<ul style="list-style-type: none"> · Adjust no. of electives to study: from 3-4 to 2-4 (S6; 2014 HKDSE) · Streamline exam paper: Paper 4 -- delete reading aloud and include 1 min. speech in 1st round of group discussion (S6; 2014 HKDSE) · Integrate exam paper: Combine Papers 3 & 5: (S4; 2016 HKDSE) · Streamline SBA: Delete SBA task on “Coursework and Other Language Activity” of the Compulsory Part (S6; 2014 HKDSE) · Clarify SBA requirement: Reading records 	<ul style="list-style-type: none"> · Explore introducing classical set texts and assessment of these texts in Chinese Language
English Language	<ul style="list-style-type: none"> · Streamline SBA: <ul style="list-style-type: none"> ■ Reduce no. of SBA tasks from 3 to 2 (S6; 2014 HKDSE); ■ Report one mark from Part A and one mark from Part B (S6; 2014 HKDSE) 	
Mathematics	<ul style="list-style-type: none"> · Trim curriculum content: <ul style="list-style-type: none"> ■ Compulsory Part (S4; 2016 HKDSE) ■ M1 and M2 (S4; 2016 HKDSE) · Not implementing SBA (S4; 2016 HKDSE onwards) 	<ul style="list-style-type: none"> · Review the NSS Mathematics curriculum framework
Liberal Studies	<ul style="list-style-type: none"> · Clarify curriculum breadth and depth <ul style="list-style-type: none"> ■ Issue a curriculum and assessment resource package · Streamline and clarify SBA: <ul style="list-style-type: none"> ■ Implement streamlined IES (S6; 2014 HKDSE, announced in Feb 2012) ■ Schools are not required to submit 	<ul style="list-style-type: none"> · Review curriculum and assessment design: <ul style="list-style-type: none"> ■ Recommendations on reviewing curriculum and assessment design in the medium term, to be ready by mid-2015

Subject	Short-term (Effective from 2013/14 sy)	Medium-/Long-term (Issues to explore)
	<p>the Process assessment records (benefit S6 in 2013/14 sy, 2014 HKDSE onwards)</p> <ul style="list-style-type: none"> ■ Clarify IES assessment requirement <p>· Provide more support for learning and teaching:</p> <ul style="list-style-type: none"> ■ Enhance school-based support wherever necessary ■ Enhance resource platform (e.g. resource pack and good practices) ■ Strengthen interface between JS curriculum and NSS LS 	
<p>Business, Accounting and Financial Studies</p>	<ul style="list-style-type: none"> · Trim curriculum content (about 15%): compulsory & elective parts (S4; 2016 HKDSE) · Adjust exam time (in line with adjustment in curriculum): <ul style="list-style-type: none"> ■ Paper 1: reduce exam time from 1 hr 30 mins to 1 hr 15 mins (S6; 2014 HKDSE) ■ Paper 2: reduce exam time from 2 hrs 30 mins to 2 hrs 15 mins (S6; 2014 HKDSE) · Improve assessment design: <ul style="list-style-type: none"> ■ Introduce optional questions in Section B of Paper 1 (S6; 2014 HKDSE) ■ Corresponding changes in exam rubrics (S6; 2014 HKDSE) · Provide support for learning and teaching: <ul style="list-style-type: none"> ■ Specify clearer cut-off date for accounting standards (S4; 2016 HKDSE) · Explore the possibility of separate reporting Not implementing SBA (S4; 2016 HKDSE onwards) 	<ul style="list-style-type: none"> · Explore the feasibility of splitting the subject and/or separate grading and reporting in BAFS
<p>Biology</p>	<ul style="list-style-type: none"> · Update and revise curriculum content: Fine-tune compulsory & elective parts (S4; 2016 HKDSE) · Streamline SBA (S6; 2014 HKDSE, 	

Subject	Short-term (Effective from 2013/14 sy)	Medium-/Long-term (Issues to explore)
	announced in Feb 2012)	
Chemistry	<ul style="list-style-type: none"> · Update and revise curriculum content: Fine-tune compulsory & elective parts (S4; 2016 HKDSE) · Streamline SBA (S6; 2014 HKDSE, announced in Feb 2012) 	
Chinese History	<ul style="list-style-type: none"> · Adjust no. of electives to study: from 2 to 1 (S4; 2016 HKDSE) · Streamline exam paper: Align time & weighting of questions in Paper 1 and Paper 2 (S4; 2016 HKDSE) · Streamline SBA (S6; 2014 HKDSE, announced in Feb 2012) 	
Chinese Literature	<ul style="list-style-type: none"> · Adjust no. of electives to study: from 3-4 to 2-4 (S6; 2014 HKDSE) · Streamline exam paper: <ul style="list-style-type: none"> ■ Paper 1 – delete segmental writing; reduce exam time from 3 hrs to 2 hrs (S6; 2014 HKDSE) ■ Paper 2 – reduce 3Q/5Q to 2Q/4Q; reduce exam time from 3 hrs to 2 hrs (S6; 2014 HKDSE) · Defer SBA to 2019 HKDSE 	<ul style="list-style-type: none"> · Explore revision of set texts in Chinese Literature · Streamline SBA: <ul style="list-style-type: none"> ■ Delete SBA task on “Reading” of Compulsory Part (S4 in 2016/17 sy; 2019 HKDSE); ■ Reduce SBA weighting (S4 in 2016/17 sy; 2019 HKDSE) · SBA: optional trial (2018 HKDSE)
Combined Science	<ul style="list-style-type: none"> · Update and revise curriculum content: Fine-tune Phy, Chem, Bio parts (S4; 2016 HKDSE) · Streamline exam paper: Paper 1: reduce no. of MCQs in Phy part (S6; 2014 HKDSE) · Streamline SBA (S6; 2014 HKDSE, announced in Feb 2012) 	
Design and Applied Technology	<ul style="list-style-type: none"> · Provide support for learning and teaching: Provide SBA project title list (S5; 2015 HKDSE) 	
Economics	<ul style="list-style-type: none"> · Update and fine-tune curriculum content: Update 1 sub-topic and fine-tune 4 sub-topics (S4; 2016 HKDSE) · Adjust exam time (to provide candidates with more time to study the questions and organize their answers) Paper 2: lengthen exam time from 2 	<ul style="list-style-type: none"> · (i) Consider the feasibility of incorporating a news commentary type question / data response question in public examination to replace SBA and (ii) Explore further development of the topics of the curriculum · Streamline SBA: Reduce no. of

Subject	Short-term (Effective from 2013/14 sy)	Medium-/Long-term (Issues to explore)
	hrs to 2 hrs 15 mins (S6; 2014 HKDSE) · Defer SBA to 2019 HKDSE	SBA tasks from 3 to 2 (S4 in 2016/17 sy; 2019 HKDSE) · SBA: optional trial (2018 HKDSE)
Ethics and Religious Studies	· Clarify curriculum breadth & depth and provide more exemplars (S4; 2016 HKDSE) · Defer SBA to 2019 HKDSE	· Explore reduction of SBA workload in Ethics and Religious Studies · SBA: optional trial (2018 HKDSE)
Geography	· Update and fine-tune curriculum content: Minor amendment in explanatory notes in C&A Guide (S4; 2016 HKDSE) · Adjust exam time (to provide candidates with more time to study the questions and organize their answers) Paper 2: lengthen exam time from 1 hr to 1 hr 15 mins (S6; 2014 HKDSE) · Defer SBA to 2019 HKDSE	· Study the need to revise the NSS Geography curriculum; and to study the issue of insufficient lesson time for the learning and teaching and to propose possible solutions · Streamline SBA (S4 in 2016/17 sy; 2019 HKDSE) · SBA: optional trial (2018 HKDSE)
Health Management and Social Care	· Adjust exam time (to provide candidates with more time to study the questions and organize their answers) Paper 2: lengthen exam time from 1hr 30 mins to 1 hr 45 mins (S6; 2014 HKDSE) · Defer SBA to 2019 HKDSE	· Review the curriculum and assessment designs and SBA, including the format of the report in SBA (written / audio-visual) and weighting of SBA · Streamline SBA : Delete the audio-visual task of the ‘Project for Electives’ (S4 in 2016/17 sy; 2019 HKDSE) · SBA: optional trial (2018 HKDSE)
History	· Adjust exam time (to provide candidates with more time to study the questions and organize their answers) Paper 2: lengthen exam time from 1 hr 15 mins to 1 hr 30 mins (S6; 2014 HKDSE) · Streamline SBA (S6; 2014 HKDSE, announced in Feb 2012)	
Information and Communication Technology	· Update and revise curriculum content: Fine-tune 4 curriculum topics (S4; 2016 HKDSE) · Streamline SBA (S5; 2015 HKDSE) · Revise the list of SQL commands and spreadsheet functions provided on exam papers for candidates’ reference (S4; 2016 HKDSE)	

Subject	Short-term (Effective from 2013/14 sy)	Medium-/Long-term (Issues to explore)
Integrated Science	<ul style="list-style-type: none"> · Clarify curriculum breadth & depth: Specify the examples required under certain topics (S4; 2016 HKDSE) · Streamline SBA (S6; 2014 HKDSE, announced in Feb 2012) 	
Literature in English	<ul style="list-style-type: none"> · Update and revise curriculum content: Merge 2 lists of set texts (S4; 2016 HKDSE) · Improve assessment design (S4; 2016 HKDSE) : <ul style="list-style-type: none"> ■ Paper 1 (Essay Writing) <ul style="list-style-type: none"> - Part 1: offer optional questions for Sections A, B and C to allow choice between two novels, two plays and two films; adopt a single short story list with no. of stories reduced from 10 to 8 for Section D - Part 2: set generalized questions ■ Paper 2 (Appreciation) <ul style="list-style-type: none"> - Reduce Paper 2 exam time from 2.5 hrs to 2 hrs; - In Section A, provide a choice of 4 questions, one for each novel and one for each play, that involve a single extract; and in Section B adopt a single list of poems (no. reduced from 18 to 15) · Defer SBA to 2019 HKDSE 	<ul style="list-style-type: none"> · SBA: optional trial (2018 HKDSE)
Music	<ul style="list-style-type: none"> · Defer SBA to 2019 HKDSE (SBA will be implemented earlier if supported by schools) · Improve assessment design (S5; 2015 HKDSE): <ul style="list-style-type: none"> ■ Streamline assessment of performance and composing skills ■ Reduce duration and number of compositions and words · SBA: 1st pilot run in 2013/14 sy 	<ul style="list-style-type: none"> · SBA: 2nd pilot run in 2014/15 sy · Evaluate pilot run and make recommendations on the implementation schedule of SBA (2015/16 sy) · SBA: optional trial (2018 HKDSE) (will implement earlier if supported by schools)

Subject	Short-term (Effective from 2013/14 sy)	Medium-/Long-term (Issues to explore)
Physical Education	<ul style="list-style-type: none"> · Improve assessment design Increase the exam weighting of practical component from 30% to 40% (S4; 2016 HKDSE) · Not implementing SBA Replace SBA by public practical examination (S4; 2016 HKDSE) 	
Physics	<ul style="list-style-type: none"> · Update and revise curriculum content: Fine-tune compulsory & elective parts (S4; 2016 HKDSE) · Streamline exam paper: Paper 1: reduce no. of MCQs (S6; 2014 HKDSE) · Streamline SBA (S6; 2014 HKDSE, announced in Feb 2012) 	
Technology and Living	<ul style="list-style-type: none"> · Defer SBA to 2019 HKDSE 	<ul style="list-style-type: none"> · Streamline SBA (S4 in 2016/17 sy; 2019 HKDSE) <ul style="list-style-type: none"> ■ Delete the practical work of the prescribed tasks; ■ Revise weighting of assessment tasks · SBA: optional trial (2018 HKDSE)
Tourism and Hospitality Studies	<ul style="list-style-type: none"> · Update and fine-tune curriculum content: Rearrange topics in the compulsory part and specify the breadth & depth of the topics (S4; 2016 HKDSE) · Defer SBA to 2019 HKDSE 	<ul style="list-style-type: none"> · Streamline SBA (S4 in 2016/17 sy; 2019 HKDSE) <ul style="list-style-type: none"> ■ Delete the Task ■ Increase no. of course assignments from 2 to 3 ■ Reduce SBA weighting from 30% to 15% · SBA: optional trial (2018 HKDSE)
Visual Arts	<ul style="list-style-type: none"> · Streamline SBA: <ul style="list-style-type: none"> ■ Reduce to ONE portfolio consisting of a research workbook and 4 pieces of artwork/critical studies of a theme (S5 and S6; 2015 and 2014 HKDSE, announced in Feb 2012); ■ Increase the maximum number of sample pages of the Research Workbook to be submitted for moderation from 12 to 24 (S4; 2016 HKDSE) 	<ul style="list-style-type: none"> · Review how to assess students' response in connecting art appreciation and art making

Subject	Short-term (Effective from 2013/14 sy)	Medium-/Long-term (Issues to explore)
Applied Learning courses	<ul style="list-style-type: none"> · Review and update courses · Enhance recognition and articulation (e.g. explore curriculum mapping, linking to Qualifications Framework (QF)) · Strengthen support (e.g. review funding, taster programmes, encourage courses in English for non-Chinese speaking (NCS) students, pilot early commencement in S4, strengthen professional development (PD) for ApL coordinators) 	<ul style="list-style-type: none"> · Continue feedback collection and course review · Review the grading mechanism · Evaluate early commencement of ApL in S4 and linking ApL to the Qualifications Framework

Note: There are *other emerging issues* identified through the review process and they may not be listed in this table. Please also refer to Appendix 4 for major issues.

**Critical milestones for key actions on NAS Review (Medium-term)
2013/14 to 2017/18 school year**

Key Actions	By 2013/14	2014/15	2015/16	2016/17	2017/18
Curriculum Design	<i>Supplementary notes</i> for all subjects to				
	<ul style="list-style-type: none"> • further clarify the breadth and depth of curriculum; and/or • support learning, teaching and assessment 				
	<i>Resource packages</i> on specific topics to enhance the effectiveness of learning, teaching and assessment				
	• LS, THS, PE				
	← Chin Lang, ERS, Hist →				
	← Chin Lit →				
	<i>Exemplars</i> for dissemination of good practices				
	• Chin Lang, Eng Lang, Lit in Eng, Math, Chem, Econ, ERS, HMSC, ICT, TL	← Geog →			
	• Chin Hist		• Chin Hist		
	← Chin Lit →				
← LS →					
<i>Seed projects/pilot schemes</i> to support delivery of the fine-tuned curriculum and assessment					

Key Actions	By 2013/14	2014/15	2015/16	2016/17	2017/18
	← Chin Lang, Music →				
	• Chin Lit				
	← Geog →				
• On-going seed projects in PE to promote collaborative research development for delivery of the fine-tuned curriculum and assessment					
Working Groups to further explore issues on curriculum and/or assessment					
	<ul style="list-style-type: none"> • Chin Lang: to explore introducing classical set texts and assessment of these texts • Chin Lit: to explore revision of set texts • Math: to review the NSS Math curriculum framework • Econ: to consider the feasibility of incorporating a news commentary type question/ data response question in public examination to replace SBA, and to explore further development of the curriculum • ERS: to explore reduction of SBA workload • Geog: to study the need to revise the NSS Geog curriculum, the issue of insufficient lesson time for the learning and teaching and to propose possible solutions 				

Key Actions	By 2013/14	2014/15	2015/16	2016/17	2017/18
	<ul style="list-style-type: none"> • HMSC: to review the curriculum and assessment designs and SBA • LS: to review the curriculum and assessment designs and SBA, recommendations ready by mid-2015 • SBA: to review the implementation of SBA in the HKDSE and make recommendations for further improvements 				
	<ul style="list-style-type: none"> • BAFS: to explore the feasibility of splitting the subject and/or separate grading and reporting 				
	Regular review on curriculum for all subjects for updating and improving design				
Assessment and Examination	<p>Updating in Regulations and Assessment Frameworks and SBA handbooks for HKDSE to enhance support in assessment</p> <p>Exploration on further streamlined SBA to address concerns without compromising international benchmarking/ recognition and curriculum objectives</p>				
					Optional trial of SBA in 2018 HKDSE:

Key Actions	By 2013/14	2014/15	2015/16	2016/17	2017/18
					Chin Lit, Lit in Eng, Econ, ERS, Geog, THS, HMSC, TL, Music
	<i>Regular review</i> on assessment for all subjects for updating and improving design				
Learning/Teaching Resources	<i>Continuous development</i> of learning/teaching resources for all subjects				
Professional Development Programmes	<i>Continuous professional development programmes</i> provided in a timely manner to support whole-school curriculum development, pedagogical changes as well as reform of school assessment culture				
School-based Support and Quality Education Fund	<i>Continuous further alignment</i> between work of school-based support services, university partnership projects and the Quality Education Fund to support schools to implement the recommendations to address relevant concerns and improve student learning				
Applied Learning	Regular provision of ApL courses to provide diversified choices Review on funding to support ApL implementation in school Enhancing taster programmes to help students make informed choice of ApL courses Encouraging course providers to offer courses in English to support the diverse needs of students, e.g. NCS students				
			Pilot early commencement of ApL in S4 to study		

Key Actions	By 2013/14	2014/15	2015/16	2016/17	2017/18
			the feasibility and effectiveness		
				Exploring curriculum mapping of ApL	
	PD for ApL coordinators to facilitate better support for students				
		Exploring linking ApL to QF			
					Reviewing the grading mechanism

- Flexibility (e.g. in time frame, methods) will be given in order to cater for the actual review or developmental needs of each NSS subject or curriculum/assessment aspect
- The schedule and milestones are subject to change wherever necessary

Summary of Key Feedback on NSS Curriculum and Assessment

	Positive Feedback	Issues of Concern
1. Curriculum Design	<p><u>Streamlining/fine-tuning of curriculum</u></p> <ul style="list-style-type: none"> • The strength of NSS curriculum appreciated • Fine-tuned curriculum well-received in general 	<p><u>Breadth and depth of curriculum</u></p> <ul style="list-style-type: none"> • Breadth and depth of curriculum still not clear (e.g. Chem, ICT, LS) • Request for further trimming of curriculum content (e.g. Chin Lang, Chin Lit, Econ, Eng Lang, Geog, LS, Maths (M2), Phy) • The curriculum design and lesson time should be considered together. • Unintended ‘narrowing’ of NSS curriculum due to washback effect of university admission, pragmatic gaming, mobility of teachers, etc.
2. Public Assessment	<p><u>Improvement measures on assessment</u></p> <ul style="list-style-type: none"> • Short-term measures on the public examination generally supported 	<p><u>Scope of assessment</u></p> <ul style="list-style-type: none"> • Scope of assessment should be trimmed in parallel with the reduced teaching time
3. School-based Assessment (SBA)	<p><u>Streamlining measures</u></p> <ul style="list-style-type: none"> • Short-term SBA streamlining measures generally supported 	<p><u>Further streamlining</u></p> <ul style="list-style-type: none"> • Requests for further streamlining of SBA in implemented subjects (e.g. ICT, HMSC, Eng Lang) and reducing SBA weighting (e.g. HMSC,

	Positive Feedback	Issues of Concern
	<p><u>Holistic consideration</u></p> <ul style="list-style-type: none"> SBA is not the major factor affecting students' subject choice. Other aspects should be studied in greater depth. 	<p>Phy, Eng Lang)</p> <p><u>Further deferral/cancellation</u></p> <ul style="list-style-type: none"> Requests for further deferral of SBA/ cancellation of SBA (e.g. Chin Hist, Chin Lang, Chin Lit, Econ; ERS, ICT, PE, THS, Geog); and simplifying/ cancelling IES (LS)
4. Catering for Learner diversity	<p><u>Curriculum/Assessment design</u></p> <ul style="list-style-type: none"> Categorisation of the Compulsory Part into foundation and non-foundation topics to cater for learner diversity in Maths supported 	<p><u>Learning, teaching, assessment</u></p> <ul style="list-style-type: none"> Concerns remain on learner diversity (e.g. Chin Lang, Eng Lang, Lit in Eng, VA) Requests for more support measures to address the issue of learner diversity
5. Support Measures	<p><u>Professional development support</u></p> <ul style="list-style-type: none"> "SLW 2013" garnered great interest and positive feedback from participants <p><u>Supplementary notes</u></p> <ul style="list-style-type: none"> Provision of supplementary notes well-received 	<p><u>Grants/Manpower</u></p> <ul style="list-style-type: none"> Request for grant, extra manpower (particularly for LS, OLE/SLP) and administration support (e.g. ApL). <p><u>Supplementary notes</u></p> <ul style="list-style-type: none"> Request for more support such as Supplementary Notes and PDPs

Major issues for deliberation in the New Academic Structure Review (Medium-term)

School-based Assessment (SBA)

- As part and parcel of the whole-school curriculum and public assessment, a holistic review on the total impact of SBA would be conducted to explore the possibility of further streamlining in order to address the workload issues while maintaining international recognition and the underlying principles of SBA.

Core Subjects

- **Chinese Language** - explore introducing classical set texts and assessment of these texts in the examination
- **Liberal Studies** - review curriculum and assessment design
- **Mathematics** - review the NSS Mathematics curriculum framework

Elective Subjects

- **Business, Accounting and Financial Studies** - explore the feasibility of splitting the subject and/or separate grading and reporting
- **Chinese Literature** - explore revision of set texts
- **Economics** - (i) consider the feasibility of incorporating a news commentary type question / data response question in the examination to replace SBA and (ii) explore further development of the topics of the curriculum
- **Ethics and Religious Studies** - explore reduction of SBA workload
- **Geography** - study the need to revise the NSS Geography curriculum; and to study the issue of insufficient lesson time for the learning and teaching and to propose possible solutions
- **Health Management and Social Care** - review the curriculum and assessment designs and SBA, including the format of the report in SBA (written / audio-visual) and weighting of SBA

Applied Learning Courses (ApL)

Apart from the regular review of ApL courses, the medium-term review will include:

- reviewing the grading mechanism; and
- evaluation of early commencement of ApL in S4 and linking ApL to the Qualifications Framework.

HKDSE Examination

Further exploration on the HKDSE Examination to better accommodate learner diversity, if deemed appropriate, which may include:

- introduction of half subjects in some suitable NSS subjects; and
- revisiting the ‘grading’ system.

Other Related and Emerging Issues

Further studies on emerging issues which include:

- “unintended” impact, e.g. whether the student programme has achieved a broad and balanced curriculum with specialization achieved in a broad knowledge base (i.e. 4 core subjects + 2/3 elective subjects: “shrinking knowledge base”? Is there a need to offer more Other Language Courses?);
- some curriculum design/assessment principles, e.g. whether values have been appropriately applied in public assessment; whether the admission requirements and scoring system should be further improved;
- professional capacity and sustainability, nature of support for schools and teachers;
- catering for learner diversity & need to support schools (both lower achievers and more able students);
- Other Learning Experiences (OLE) and Student Learning Profile (SLP) (e.g. how is it affected by 2400±200 lesson hours?);
- some emerging issues related to other NSS subjects such as Visual Arts and Chinese History; and
- other issues related to curriculum and assessment but outside the curriculum and assessment development cycle which would be suitably discussed and communicated to relevant partner organisations and stakeholders.

Technology Education Key Learning Area

Business, Accounting and Financial Studies Curriculum and Assessment Guide (Secondary 4 - 6)

Jointly prepared by the Curriculum Development Council and
the Hong Kong Examinations and Assessment Authority

Recommended for use in schools by the Education and Manpower Bureau
HKSARG
2007

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Membership of the CDC-HKEAA Committee on Business, Accounting and Financial Studies (Senior Secondary)		

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Preamble

The Education and Manpower Bureau (EMB) stated in its report¹ in 2005 that the implementation of a three-year senior secondary academic structure would commence at Secondary 4 in September 2009. The senior secondary academic structure is supported by a flexible, coherent and diversified senior secondary curriculum aimed at catering for students' varied interests, needs and abilities. This Curriculum and Assessment (C&A) Guide is one of the series of documents prepared for the senior secondary curriculum. It is based on the goals of senior secondary education and on other official documents related to the curriculum and assessment reform since 2000, including the *Basic Education Curriculum Guide* (2002) and the *Senior Secondary Curriculum Guide* (2007). To gain a full understanding of the connection between education at the senior secondary level and the basic education level, and how effective learning, teaching and assessment can be achieved, it is strongly recommended that reference should be made to all related documents.

This C&A Guide is designed to provide the rationale and aims of the subject curriculum, followed by chapters on the curriculum framework, curriculum planning, pedagogy, assessment and use of learning and teaching resources. One key concept underlying the senior secondary curriculum is that curriculum, pedagogy and assessment should be well aligned. While learning and teaching strategies form an integral part of the curriculum and are conducive to promoting learning to learn and whole-person development, assessment should also be recognised not only as a means to gauge performance but also to improve learning. To understand the interplay between these three key components, all chapters in the C&A Guide should be read in a holistic manner.

The C&A Guide is jointly prepared by the Curriculum Development Council (CDC) and the Hong Kong Examinations and Assessment Authority (HKEAA). The CDC is an advisory body that gives recommendations to the HKSAR Government on all matters relating to curriculum development for the school system from kindergarten to senior secondary level. Its membership includes heads of schools, practising teachers, parents, employers, academics from tertiary institutions, professionals from related fields/bodies, representatives from the HKEAA and the Vocational Training Council (VTC), as well as officers from the EMB. The HKEAA is an independent statutory body responsible for the conduct of public assessment, including the assessment for the Hong Kong Diploma of Secondary Education (HKDSE). Its governing council includes members drawn from the school sector, tertiary institutions and government bodies, as well as professionals and members of the business community.

The C&A Guide is recommended by the EMB for use in secondary schools. The subject curriculum forms the basis of the assessment designed and administered by the HKEAA. In this connection, the HKEAA will issue a handbook to provide information on the rules and regulations of the HKDSE examination as well as the structure and format of public assessment for each subject.

¹ The report is *The New Academic Structure for Senior Secondary Education and Higher Education – Action Plan for Investing in the Future of Hong Kong*.

The CDC and HKEAA will keep the subject curriculum under constant review and evaluation in the light of classroom experiences, students' performance in the public assessment, and the changing needs of students and society. All comments and suggestions on this C&A Guide may be sent to:

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Acronym

ApL	Applied Learning
C&A	Curriculum and Assessment
CDC	Curriculum Development Council
EMB	Education and Manpower Bureau
HKALE	Hong Kong Advanced Level Examination
HKCEE	Hong Kong Certificate of Education Examination
HKDSE	Hong Kong Diploma of Secondary Education
HKEAA	Hong Kong Examinations and Assessment Authority
HKedCity	Hong Kong Education City
HKSAR	Hong Kong Special Administrative Region
IT	Information Technology
KLA	Key Learning Area
OLE	Other Learning Experiences
P1/2/3/4/5/6	Primary 1/2/3/4/5/6
S1/2/3/4/5/6/7	Secondary 1/2/3/4/5/6/7
SBA	School-based Assessment
SLP	Student Learning Profile
SSCG	Senior Secondary Curriculum Guide
VTC	Vocational Training Council

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Chapter 1 Introduction

This chapter provides the background, rationale and aims of Business, Accounting and Financial Studies (BAFS) as an elective subject in the three-year senior secondary curriculum, and highlights how it articulates with the junior secondary curriculum, post-secondary education, and future career pathways.

1.1 Background

Technology Education (TE) in the Hong Kong school curriculum focuses on how human beings solve their daily problems and how the processes involved can be replicated and transferred to solve new problems. It is an essential area of study for all students in Hong Kong.

In the 21st century, technology has become an integral part of our life. Citizens of today require much more than a basic ability to read, write, and do simple mathematics. To live in the modern world, we must understand how technology affects us. In this regard, we must be equipped to use technology effectively and flexibly to solve daily problems with positive attitude at home, in the community, and around the world; and to create new solutions, products, and services for the well-being of humankind.

By studying the related subjects developed in TE Key Learning Area, our students will be better prepared to meet the uncertainties and challenges of the future with regard to social, economic, ecological, scientific and technological changes, both locally and globally. Their studies in this area will help them to lead a healthy lifestyle in adulthood and to contribute to building a caring and harmonious society.

Building on the strengths of the existing TE curriculum and catering for social, economic and technological development, Business, Accounting and Financial Studies is one of the five elective subjects developed under Technology Education Key Learning Area in the senior secondary curriculum.

The *Senior Secondary Business, Accounting and Financial Studies Curriculum and Assessment Guide* incorporates the key recommendations of the Education and Manpower Bureau's *Senior Secondary Curriculum Guide* (CDC, 2007) and *Technology Education Key Learning Area Curriculum Guide (Primary 1 – Secondary 3)* (CDC, 2002), as well as its final report on the Holistic Review of the School Curriculum: *Learning to Learn – The Way Forward in Curriculum Development* (CDC, 2001). These three documents outline the overall direction for both education and curriculum development in Hong Kong, and seek to promote lifelong learning and whole-person development.

1.2 Rationale

Response to changing social and economic forces

The main pillars of the Hong Kong economy are financial services, producer services, logistics and tourism. To maintain both our competitive edge and economic sustainability as a service-oriented and knowledge-driven economy, Hong Kong needs a workforce which can transform ideas into high value-added services.

Business is the process of creating value through commerce and production. Business education aims to nurture students' interest and talent in business by developing in them the necessary knowledge and skills, positive values and attitudes to create value through identifying needs, generating ideas and transforming them into business opportunities.

Capacity for lifelong learning

The school curriculum should equip students with the abilities and attitudes to become independent learners. At senior secondary level, business education develops in students the intellectual breadth and capacity for lifelong learning to cope with the demands of an increasingly complex world.

Qualities of citizenship

Business and financial activities constitute an integral part of our daily lives as we work, consume, save and invest. Besides providing students with knowledge and skills for dealing with business and financial activities in adult life, business education should also aim to promote qualities of citizenship. Students should be given opportunities to develop ethical and responsible behaviour so that they can fulfil their roles effectively as consumers, investors, employees and/or entrepreneurs in adult life. Students are expected to take social and ethical considerations into account in analysing and evaluating business issues. In a fast-changing and knowledge-based local and global economy, they need to possess a variety of intellectual and communication skills, as well as positive values and attitudes, so that they can act competently, confidently, and ethically in both familiar and novel situations. They also have to be conversant with the business environment, so as to make effective decisions, not only as members of the business world, but also as socially responsible citizens.

Accounting as an integral part of business education

In tackling business problems, one needs to draw upon knowledge and skills from different business areas, such as accounting, finance and management. Students need a solid foundation to understand and integrate knowledge and practice from the various areas that play a contributory role. In the business environment, accounting serves as a language of business for both internal and external communication. People use accounting information, together with other business knowledge such as finance, marketing, and human resources, in making business decisions. The business curriculum should, therefore, enable students to acquire a common body of business knowledge, including accounting, to deal with the dynamic business environment.

1.3 Curriculum Aims

The overall aims of the Business, Accounting and Financial Studies (BAFS) curriculum are:

- to provide students at senior secondary level with fundamental business knowledge and skills, and develop their positive values and attitudes, so that they can fulfil their roles competently and confidently as consumers, investors, employees and/or entrepreneurs;
- to develop students' generic skills in research, analysis, leadership, team-building, communication, critical thinking, creativity, and problem-solving and transfer them to different domains; and
- to explore different aspects of business to prepare students for life, for learning and for employment.

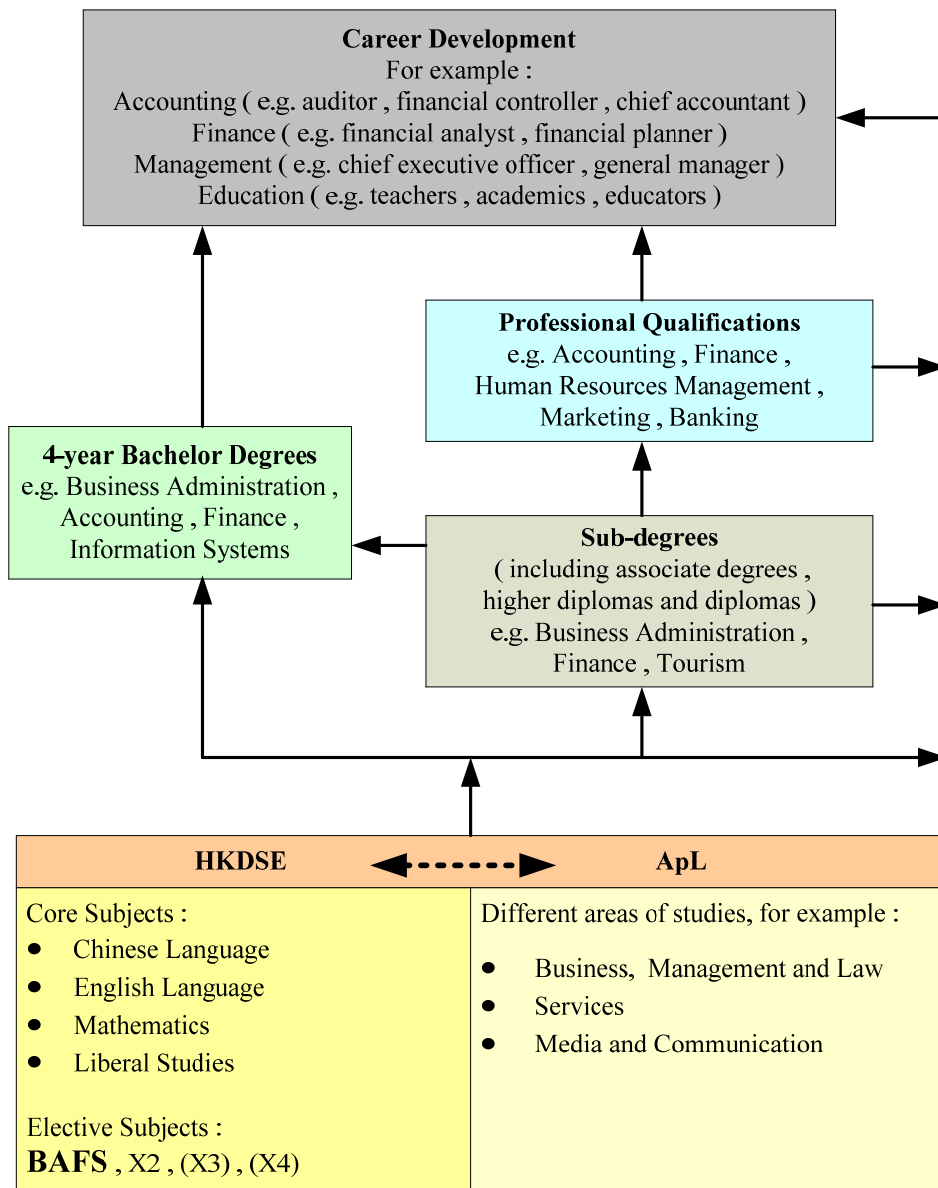
1.4 Interface with the Junior Secondary Curriculum and Post-Secondary Pathways

The importance of business and financial services in Hong Kong makes the study of business, accounting and finance important for developing students to become valuable human beings with an entrepreneurial spirit in the future. At junior secondary level, as suggested in the *Technology Education Key Learning Area Curriculum Guide (P1–S3) (CDC, 2002)*, students are expected to be equipped with some of the basic concepts of business and management through selected themes embedded in other TE curricula, and through co-curricular activities which give them some exposure to business.

After completing basic education, students are expected to have developed an interest in knowing more about the business world and be prepared to make informed decisions on their choice of subjects in their senior secondary studies. The study of BAFS at the senior secondary level will provide students with essential business knowledge and skills for higher education/tertiary studies in business and for various careers.

The linkages between the curriculum at the senior secondary level and future studies/careers are shown in the figure below:

Figure 1.1 Post-secondary pathways



1.5 Cross-curricular Links

The trend towards globalization requires one to possess knowledge and skills across a wide range of disciplines, such as technology, science, languages and humanities, to solve business problems. Through the BAFS curriculum, students can build a solid foundation in business, and by studying the subject in combination with other electives in a complementary way, they can also gain exposure to a range of knowledge and skills. To this end, students may, for example, study BAFS together with Information and Communication Technology in Technology Education, and Tourism and Hospitality Studies in Personal, Social and Humanities Education. For details about how cross-curricular collaboration can be achieved through curriculum planning and development, please refer to Section 3.3.6.

Chapter 2 Curriculum Framework

The curriculum framework for Business, Accounting and Financial Studies (BAFS) embodies the key knowledge, skills, values and attitudes that students are to develop at senior secondary level. It forms the basis on which schools and teachers can plan their school-based curriculum and design appropriate learning, teaching and assessment activities.

2.1 Design Principles

The design of the BAFS curriculum is based on the learning goals and overarching design principles of the senior secondary curriculum as explained in Booklet 1 of the *Senior Secondary Curriculum Guide (CDC, 2007)*:

- ***Prior knowledge***

To provide effective progression from the junior secondary to the senior secondary curriculum, BAFS is based upon the prior knowledge, skills, positive values and attitudes that students will have acquired in basic education.

- ***Balance between breadth and depth***

In BAFS, the compulsory part serves as a broad-based foundation for students to gain a holistic picture of business before they choose to extend their studies in specialised modules in the elective part.

- ***Balance between theoretical and applied learning***

The BAFS curriculum balances theoretical and applied learning to cater for students' learning needs, interests and aptitudes. Students have the opportunity to apply the knowledge they have acquired to solve business problems.

- ***Balance between essential learning and a flexible and diversified curriculum***

In the BAFS curriculum, the compulsory part provides students with essential business knowledge and concepts, preparing them to further their studies through the elective part or Applied Learning (ApL) courses.

- ***Learning how to learn and inquiry-based learning***

To develop students' capacity for self-directed, lifelong learning, the BAFS curriculum provides them with a solid foundation in business studies and develops their independent learning and generic skills to meet the rapidly changing business environment.

- ***Progression***

In BAFS, students are expected to study the compulsory part to explore their interests first and then progress to their chosen studies.

- ***Smoother articulation to multiple progression pathways***

The BAFS curriculum prepares students to pursue further academic and vocational/professional education and training through articulation to a range of post-secondary and university level programmes, or to enter the workplace.

- ***Greater coherence***

Cross-curricular elements are incorporated into the BAFS curriculum to strengthen its connections with different subjects.

2.2 Learning Targets

BAFS equips students with the necessary knowledge and skills, positive values and attitudes to contribute to the business sector and society at large. The learning targets of the curriculum are to enable students to:

- understand and critically evaluate local and global business issues, not only as members of the business world but also as responsible and effective citizens;
- appreciate the pace of change in the business world, so that they become reflective, self-motivated and self-managed lifelong learners, who can act proactively and make informed decisions in an ever-changing environment;
- be equipped with an understanding and capability to search for, interpret, analyse and make use of information for business development; and
- develop an awareness of and interest in business for planning their academic and career development.

2.3 Learning Objectives

Through the study of the BAFS curriculum, students will be able to develop **knowledge and understanding** of:

- the intertwined relationships of different business areas;
- the dynamic environment in which businesses operate, where changes influence planning and decision-making;
- the importance of accounting in managing a business;
- the functions of management in formulating effective strategies for businesses; and
- the importance of managing personal finance.

Students are expected to develop **generic skills**, in particular, the ability to:

- use information technology to locate, select, and organise relevant business information for decision-making;
- investigate, analyse, and evaluate business issues from a variety of perspectives;
- communicate business information and issues effectively; and
- work in a team situation and assume a leadership role.

Students are expected to develop positive **values and attitudes** so that they may:

- be informed, active and responsible participants in the business world;
- be critically aware of the importance of socially responsible and ethical business behaviour; and
- behave responsibly in controlling their personal finances.

2.4 Learning Outcomes

Upon completion of the course, students should be able to:

Knowledge and understanding

- apply concepts and knowledge in an integrated manner to attain specified goals for business ventures and solve problems encountered in the business context;
- identify opportunities, generate innovative ideas and manage resources for business development;
- analyse how management reacts to the dynamic business environment in formulating strategic plans;
- evaluate the management efficiency and financial performance of businesses to make personal and/or business financial decisions;
- apply the management concepts related to human resource, finance and marketing in business decision-making; and
- use accounting information effectively to monitor business performance and suggest means to add value to human and financial resources.

Skills

- collect, process and analyse business information necessary for strategic planning and business development;
- apply critical thinking and problem-solving skills in evaluating business issues and making ethical decisions;
- demonstrate effective communication, team-building and interpersonal skills in business; and
- use basic business application software and apply ICT skills in business projects.

Values and attitudes

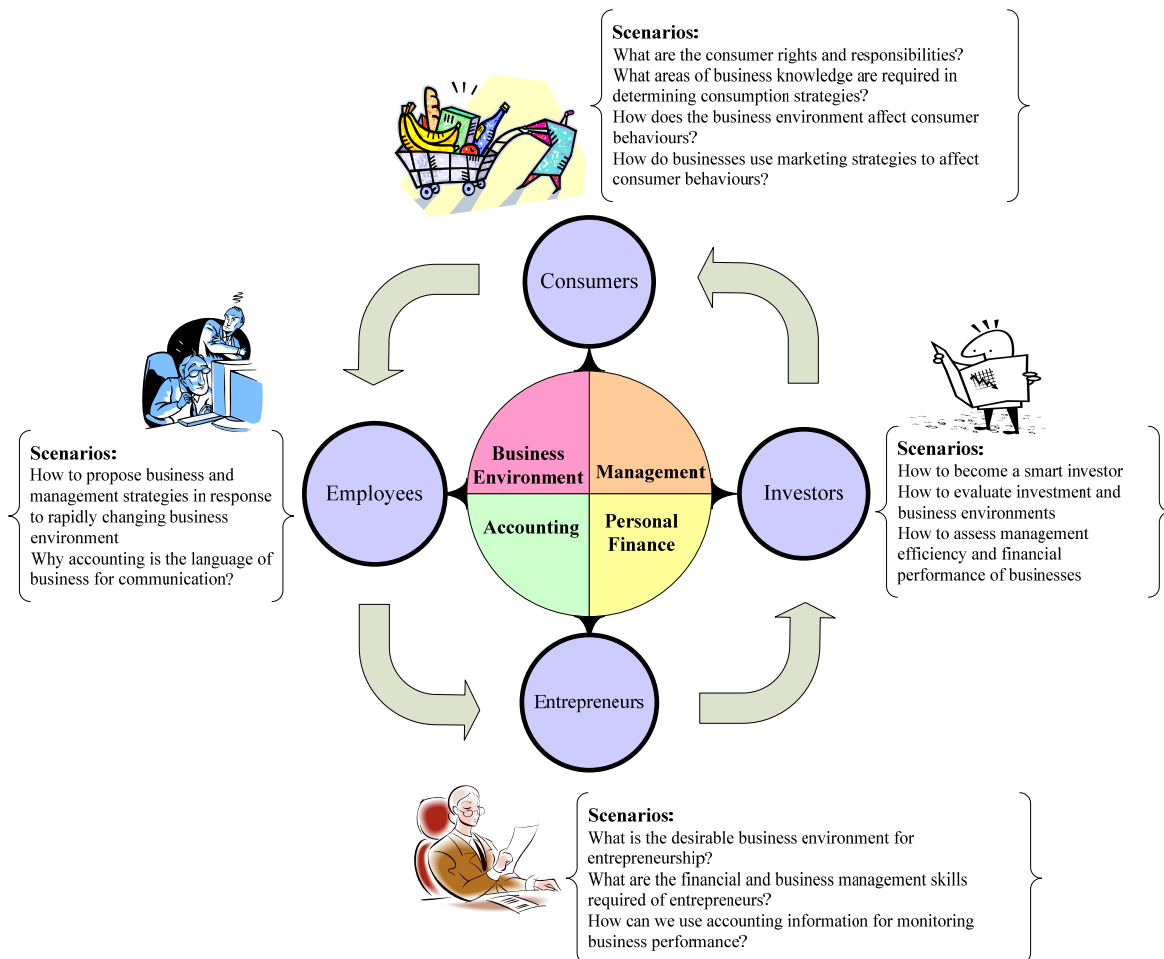
- be socially responsible and caring, in particular when playing the roles of consumers / employees / entrepreneurs / investors in the business world, and in society at large;
- appreciate themselves as valuable human capital and enhance their commitment to society; and
- be reflective and self-motivated lifelong learners to meet the demands of the rapidly changing business world.

2.5 Curriculum Structure and Organisation

The BAFS curriculum is built upon a contemporary business curriculum structure planned in line with the fast-changing local and global social and economic circumstances. It draws on a range of business-related disciplines (such as finance, accounting and business management) to highlight their complex interrelationships. The learning elements are interrelated, to mirror the real business world.

It is considered that an integrated understanding of the essential business areas: business environment, accounting, management and personal finance will prepare students well for dealing with their personal financial concerns when they engage in business and financial activities such as consumption, work and investment in adulthood. The emphasis on different roles as consumer, employee, entrepreneur and investor will enhance their understanding of business knowledge as a whole, and enable them to view business-related decisions from different angles.

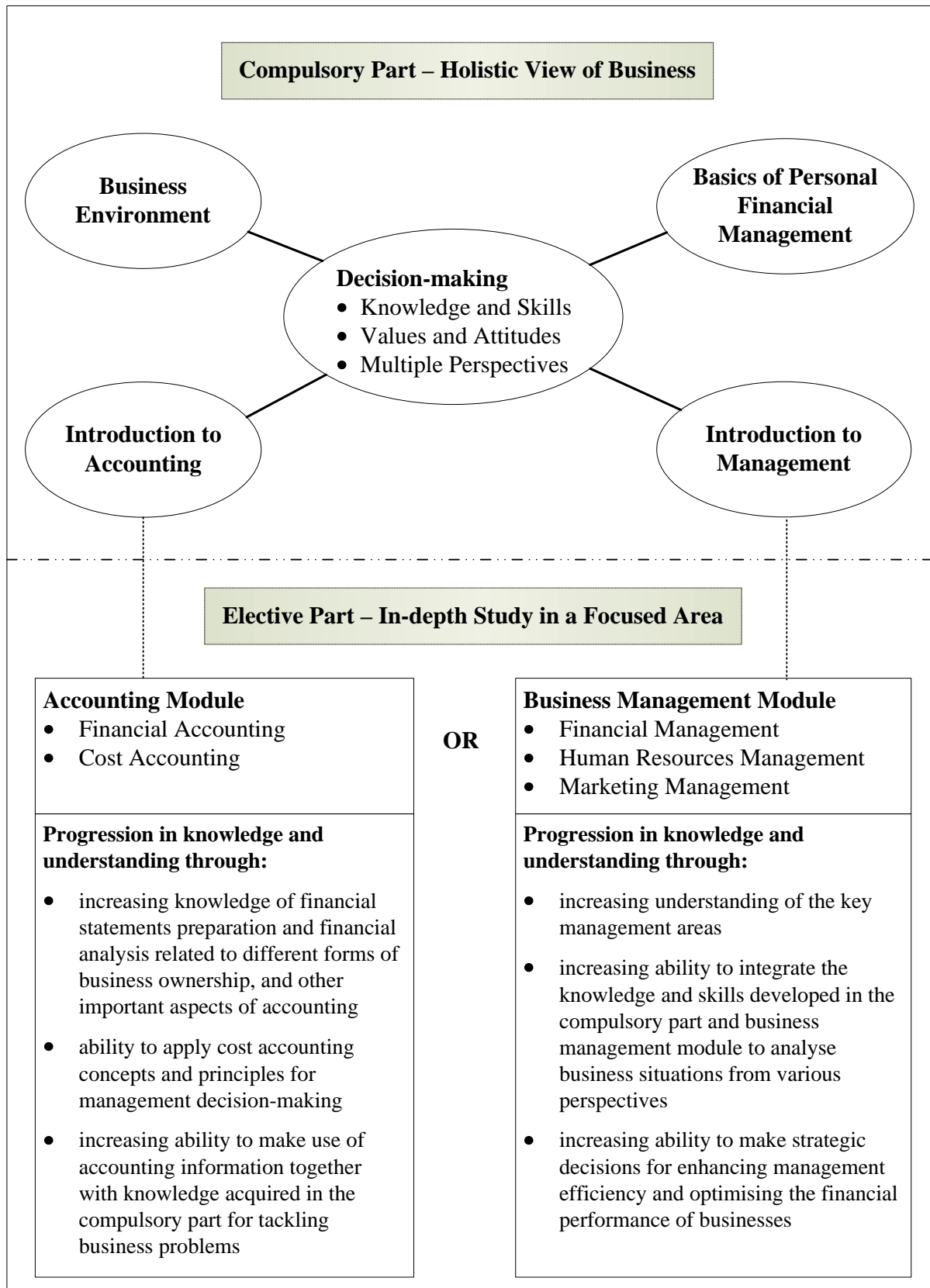
Figure 2.1 Major roles when engaging in business and financial activities



The curriculum comprises a compulsory and an elective part to strike a balance between breadth and depth in different business areas. The compulsory part provides a broad-based foundation for students for more in-depth study of concepts and knowledge in specific modules in the elective part. It is thus important that the concepts and learning elements in the compulsory part should be re-examined, integrated and synthesised in the related module

in the elective part whenever appropriate.

Figure 2.2 Curriculum structure



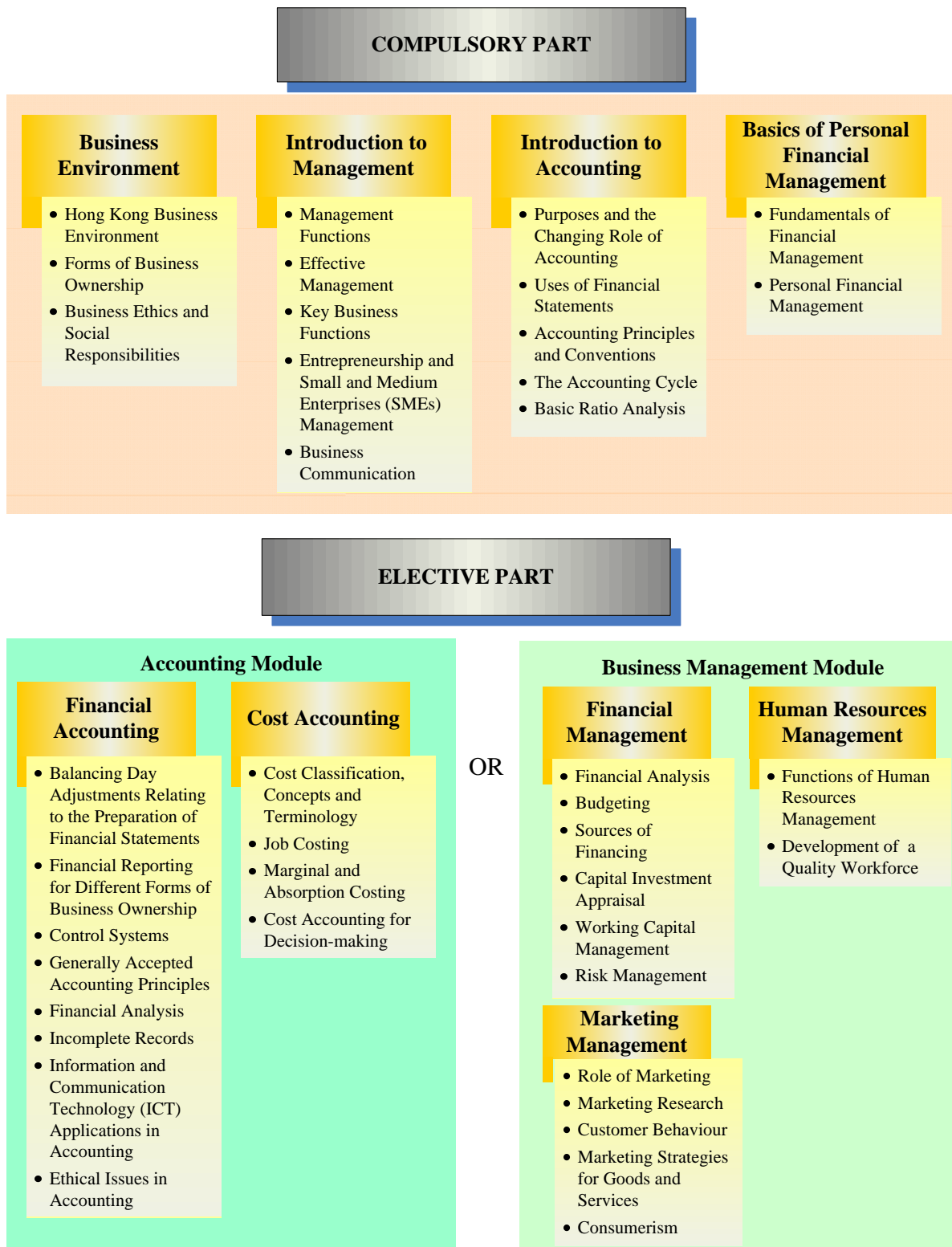
Linkage between the compulsory and elective parts

The compulsory part of the BAFS curriculum covers four main areas, namely: **Business Environment, Introduction to Management, Introduction to Accounting and Basics of Personal Financial Management**. They provide a threshold, in terms of knowledge and skills, for students' future studies or careers.

The elective part, which builds upon the knowledge and skills in the compulsory part, provides students with an opportunity to pursue a more in-depth study in a focused area. Students can choose either **Accounting** or **Business Management**, according to their interests and inclinations.

An integrated and contextual approach to organise learning elements in the compulsory and elective parts is recommended. The purpose is to enhance students' understanding of how to apply principles, concepts, models and skills from interrelated areas of business in authentic / simulated contexts. The individual learning elements can be introduced in a flexible manner by linking, elaborating or re-examining them in greater depth in topics in both the compulsory and elective parts through case studies of different business entities.

Figure 2.3 Overview of the learning elements of the curriculum framework



Topics	Explanatory Notes
<p data-bbox="189 376 616 421"><i>1(a) Business Environment</i></p> <p data-bbox="266 434 743 472">Hong Kong Business Environment</p> <p data-bbox="266 1263 679 1301">Forms of Business Ownership</p>	<ul style="list-style-type: none"> <li data-bbox="783 434 1302 517">- Describe the role and importance of business in the Hong Kong economy. <li data-bbox="783 544 1378 627">- Analyse the recent development and characteristics of the Hong Kong economy. <li data-bbox="783 654 1378 779">- Evaluate how economic, technological, cultural, physical, social, political and legal factors affect business decisions. <li data-bbox="783 817 1353 900">- Describe Hong Kong's economic and business relationships with the Mainland. <li data-bbox="783 940 1374 1023">- Be aware of the economic policies and general business practices in the Mainland. <li data-bbox="783 1050 1331 1133">- Describe the impact of globalization on business. <li data-bbox="783 1160 1327 1243">- Explain the roles of major international trade organisations. <li data-bbox="783 1270 1390 1440">- Distinguish between the major forms of business ownership: sole proprietorship, partnership, limited company, joint-venture, franchise and public enterprise. <li data-bbox="783 1467 1369 1550">- Evaluate the pros and cons of the different forms of business ownership. <li data-bbox="783 1576 1347 1702">- Compare the characteristics of small and medium enterprises and multinational corporations in Hong Kong.

Topics	Explanatory Notes
<p>Business Ethics and Social Responsibilities</p>	<ul style="list-style-type: none"> - Explain why and how a business should be ethically responsible to various stakeholders. - Describe how business ethics and social responsibilities affect business decisions. - Explain the principles and objectives of corporate governance, and appreciate the importance of good corporate governance.
<p><i>1(b) Introduction to Management</i></p> <p>Management Functions</p>	<ul style="list-style-type: none"> - Explain the importance of management. - Demonstrate a basic understanding of the following management functions for organisations: planning, organising, leading and controlling.
<p>Effective Management</p>	<ul style="list-style-type: none"> - Illustrate the major management skills required of managers. - Apply the following principles of effective management: division of work, unity of command, unity of direction, authority and responsibility, and management by objectives.
<p>Key Business Functions</p>	<ul style="list-style-type: none"> - Describe the role and importance of the following key functional areas in business: human resources management, financial management, operations management, marketing management, information management and risk management. - Explain and appreciate the interrelationship and integrated nature of different business functions in solving business problems.

Topics	Explanatory Notes
<p>Entrepreneurship and Small and Medium Enterprises (SMEs) Management</p> <ul style="list-style-type: none">• Entrepreneurship • SMEs management	<ul style="list-style-type: none">- Describe the characteristics and aptitudes of an entrepreneur.- Explain the importance of entrepreneurship in business development and economic growth. - Describe the characteristics of SMEs.- Explain the importance of SMEs to the local economy.- Compare the differences between small and large businesses from management perspectives.- Describe the governmental support measures for the development of SMEs.- Describe the process of developing a business plan.
<p>Business Communication</p> <ul style="list-style-type: none">• Means and principles of effective communication • Business information	<ul style="list-style-type: none">- Appreciate the need for and importance of effective communication.- Explain the following principles of effective communication: clarity, courtesy, conciseness, completeness and concreteness.- Identify barriers to effective communication and means for enhancing communication. - Describe the characteristics of quality business information.- Discuss the contribution of information and communication technology (ICT) to information management.

Topics	Explanatory Notes
<i>1(c) Introduction to Accounting</i>	
Purposes and the Changing Role of Accounting	<ul style="list-style-type: none"> - Describe the functions of accounting. - Appreciate the importance of accounting and its relevance to decision-making.
Uses of Financial Statements	<ul style="list-style-type: none"> - Explain how information in financial statements can assist decision-making. - Explain the uses and limitations of financial statements.
Accounting Principles and Conventions	<ul style="list-style-type: none"> - State the meaning of fundamental accounting principles and conventions: business entity, going concern, accrual, historical cost and consistency.
The Accounting Cycle	
<ul style="list-style-type: none"> • Double entry system 	<ul style="list-style-type: none"> - Explain the accounting equation and demonstrate how transactions affect it. - Apply the principles of double entry to the recording of business transactions.
<ul style="list-style-type: none"> • Books of original entry and different types of ledgers 	<ul style="list-style-type: none"> - Explain the functions of books of original entry and ledgers. - Record transactions in books of original entry and post to ledger accounts. - Identify the major classifications in ledgers.
<ul style="list-style-type: none"> • Trial balance 	<ul style="list-style-type: none"> - Explain the functions and limitations of a trial balance. - Prepare a trial balance.
<ul style="list-style-type: none"> • Financial statements 	<ul style="list-style-type: none"> - Prepare income statements and balance sheets for sole proprietorships.
Basic Ratio Analysis	<ul style="list-style-type: none"> - State the general functions of accounting ratios.

Topics	Explanatory Notes
<p>1(d) Basics of Personal Financial Management</p> <p>Fundamentals of Financial Management</p> <ul style="list-style-type: none"> • Structure and role of financial market • Time value of money • The relationship between risks and returns 	<ul style="list-style-type: none"> - Calculate and interpret the following ratios: gross profit ratio, net profit ratio, working capital/current ratio, quick/liquid ratio and return on capital employed. - Evaluate the profitability and liquidity of a business using accounting ratios. - Differentiate the roles of different sectors of the Hong Kong financial market. - Distinguish between: <ul style="list-style-type: none"> (i) primary and secondary markets (ii) capital and money markets (iii) listed exchanges and over-the-counter. - Discuss the roles of different participants in the financial market. - Define opportunity cost and demonstrate how it relates to personal financial decisions. - Explain the concepts of compounding, discounting, present value and future value. - Apply the concepts of present value and future value to compute net present value. - Distinguish between nominal and effective rate of return. - Identify the basic characteristics and the relationship between risks and returns of common financial products. - Identify the factors that affect the risks and returns of common financial products.

Topics	Explanatory Notes
<p>Personal Financial Management</p> <ul style="list-style-type: none"> • Consumer credit • Personal financial planning and investments • Investor protection in Hong Kong 	<ul style="list-style-type: none"> - Explain different types of consumer credit and finance products. - Compare and select the most suitable consumer credit and finance products with understanding of how interest is calculated. - Appreciate the importance of maintaining a good personal credit record. - Adopt positive values and attitudes towards personal financial planning in a life-cycle context. - Adopt a proper personal financial planning process: setting investment objectives, portfolio construction and portfolio review. - Discuss the issues to be considered in selecting appropriate financial products for a personal investment portfolio. - Apply budgeting principles and techniques to prepare personal budgets. - Demonstrate a basic understanding of the Mandatory Provident Fund (MPF) system. - Explain the roles of regulators in regulating financial products and financial service providers in Hong Kong. - Describe the investor compensation regime in Hong Kong. - Be aware of the rights and responsibilities of individual investors and consumers of financial services. - Demonstrate how to make an informed investment decision.

Topics	Explanatory Notes
<p>2(a) Financial Accounting</p> <p>Balancing Day Adjustments Relating to the Preparation of Financial Statements</p> <p>Financial Reporting for Different Forms of Business Ownership</p> <ul style="list-style-type: none"> • Financial statements • Accounting for partnership • Accounting for limited companies 	<ul style="list-style-type: none"> - Differentiate between cash accounting and accrual accounting. - Distinguish between bad debts and allowance for doubtful accounts. - State the meaning and objectives of providing depreciation in accounting. - Compare the commonly used depreciation methods: straight-line, reducing-balance and depreciation based on usage; and explain the effect of depreciation charge on profits. - Prepare adjusting entries in the general journal, income statement and balance sheet. <ul style="list-style-type: none"> - Prepare properly presented income statements and balance sheets for sole proprietorships, partnerships and limited companies. - Define goodwill and explain the factors affecting its valuation. - Prepare the necessary adjustments to partner(s)' capital and/or net assets arising from changes in profit-sharing ratio, admission and retirement of partner(s). - Analyse the factors leading to the dissolution of a partnership. - Prepare the necessary accounting entries required in dissolution. - Distinguish between authorised / registered and issued capital. - Prepare journal and ledger entries relating to

Topics	Explanatory Notes
<p>Control Systems</p> <ul style="list-style-type: none"> • Control accounts and their reconciliation • Bank reconciliation statement • Correction of errors 	<p>the issue of ordinary shares and debentures fully paid on application.</p> <ul style="list-style-type: none"> - Distinguish between the nature of reserves and provisions. - Describe the regulatory framework of accounting in Hong Kong. - Explain the need to keep ledger control accounts for the accounts receivable and accounts payable ledgers. - Prepare ledger control accounts and reconcile them with respective subsidiary ledgers. - Explain the functions of a bank reconciliation statement. - Identify reasons for discrepancies between cash book and bank statement balances and prepare a bank reconciliation statement. - Identify the types of accounting errors and their effects on accounting records. - Prepare correcting entries and, where appropriate, a suspense account.
<p>Generally Accepted Accounting Principles</p>	<ul style="list-style-type: none"> - Explain the key assumptions underlying the preparation of financial statements: accrual and going concern. - Describe the principal qualitative characteristics of financial statements: understandability, relevance, reliability and comparability. - Explain the meaning, importance and shortcomings of the following principles and concepts: business entity, historical cost,

Topics	Explanatory Notes
Financial Analysis	<p>prudence, consistency, materiality, matching, objectivity, timeliness, realisation, money measurement and substance over form.</p> <ul style="list-style-type: none">- Apply the relevant accounting principles and concepts in accounting situations.- Describe the following types of financial statement analysis: ratio analysis, trend analysis, horizontal analysis and vertical analysis.- Calculate ratios and comment on a company's profitability, liquidity, solvency, management efficiency and return on investment: mark-up, margin, inventory turnover, days' sales in accounts receivable, days' purchases in accounts payable, accounts receivable turnover, accounts payable turnover, earnings per share, total assets turnover, gearing, dividend cover and price-earnings ratio.- Propose remedial actions which will improve the financial performance of a company.- Explain the functions and limitations of accounting ratios in financial analysis.
Incomplete Records	<ul style="list-style-type: none">- Determine profits or losses from statement of affairs.- Prepare an income statement and a balance sheet from incomplete records.
Information and Communication Technology (ICT) Applications in Accounting	<ul style="list-style-type: none">- Identify the major types of ICT applications in accounting.- Discuss the advantages and disadvantages of using computerised accounting.- Describe and appreciate the importance of an

Topics	Explanatory Notes
<p>Ethical Issues in Accounting</p>	<p>accounting information system in management decisions.</p> <ul style="list-style-type: none"> - Discuss the ethical issues involved in accounting activities. - Adopt positive values and attitudes in making ethical decisions. - Explain and appreciate the significance of accounting information in corporate governance.
<p>2(b) Cost Accounting</p> <p>Cost Classification, Concepts and Terminology</p>	<ul style="list-style-type: none"> - Explain the general nature of cost accounting and appreciate its importance for financial decision-making. - Distinguish between direct and indirect costs, fixed and variable costs, and factory and administrative overheads.
<p>Job Costing</p>	<ul style="list-style-type: none"> - Explain the job costing system for manufacturing operations. - Illustrate the allocation and apportionment of costs to a single job or product.
<p>Marginal and Absorption Costing</p>	<ul style="list-style-type: none"> - Compare the use of marginal and absorption costing in preparing: <ul style="list-style-type: none"> (i) manufacturing accounts (ii) income statements. - Compare the advantages and disadvantages of adopting marginal and absorption costing.

Topics	Explanatory Notes
Cost Accounting for Decision-making	<ul style="list-style-type: none">- Identify the nature of various cost items and their relevance to decision-making: sunk costs, incremental costs and opportunity costs.- Apply costing concepts and techniques in business decisions e.g. ‘hire, make or buy’, ‘accept or reject an order at a special price’, ‘retain or replace equipment’, ‘sell or process further’, and ‘eliminate or retain an unprofitable segment’.- Conduct cost-volume-profit analysis to assess the effects of changes in costs, selling price and units sold on the breakeven point and target profit.

Topics	Explanatory Notes
<p>3(a) Financial Management</p> <p>Financial Analysis</p> <p>Budgeting</p> <p>Sources of Financing</p> <p>Capital Investment Appraisal</p> <p>Working Capital Management</p>	<ul style="list-style-type: none"> - Explain the role of financial management in running an organisation. - Assess business performance from a range of accounting ratios in terms of profitability, liquidity, solvency and management efficiency. - Explain the purposes of budgeting. - Describe the usefulness and limitations of budgetary control. - Identify the causes of budgeting variance and propose remedial action. - Compare different sources of financing: debt and equity financing, short-term and long-term financing, and internal and external financing. - Apply the basic principles for selecting financing methods. - Evaluate financial and non-financial factors affecting capital investment decisions. - Apply the basic capital investment appraisal methods to evaluate capital projects: payback period, net present value, internal rate of return and accounting rate of return. - Compare the usefulness and limitations of different capital investment appraisal methods. - Explain the importance of working capital management. - Describe the basic principles of cash management and the relevance of cash budgeting.

Topics	Explanatory Notes
<p>Risk Management</p>	<ul style="list-style-type: none"> - Analyse the factors affecting the formulation of accounts receivable and accounts payable policies. - Explain the objectives of inventory management and apply simple inventory control techniques: Economic Order Quantity (EOQ) and re-order level methods. - Appreciate the importance of risk management in a business organisation. - Identify different types of risk faced by business firms and analyse their impact on business activities. - Demonstrate an understanding of various types of insurance protection available to business. - Explain the following risk management strategies: risk avoidance, risk assumption, risk reduction and risk transfer.
<p>3(b) Human Resources Management</p> <p>Functions of Human Resources Management</p> <ul style="list-style-type: none"> • Manpower planning • Staffing • Performance management 	<ul style="list-style-type: none"> - Explain the importance of manpower planning for an organisation. - Describe the manpower planning process. - Describe the staffing process. - Compare different methods of staffing. - Describe the objectives of performance management. - Explain the methods, processes and application of performance management.

Topics	Explanatory Notes
<ul style="list-style-type: none"> • Compensation and benefit management 	<ul style="list-style-type: none"> - Describe the characteristics and advantages of direct and indirect compensation. - Compare different forms of compensation. - Explain job evaluation and its relationship with compensation. - Explain grade and salary structure and related administration. - Explain the purposes of benefits. - Describe how to conduct and analyse compensation and benefit surveys.
<ul style="list-style-type: none"> • Training and development 	<ul style="list-style-type: none"> - Explain the objectives of training and development. - Describe the essential features of a systematic training function. - Evaluate the effectiveness of different modes of training.
<p>Development of a Quality Workforce</p> <ul style="list-style-type: none"> • Employee relations 	<ul style="list-style-type: none"> - Describe the industrial relations system. - Explain the application of employment-related legislation. - Explain the functions of collective bargaining, conciliation, mediation and arbitration in industrial conflicts. - Suggest appropriate orientation and internal communication programmes. - Explain grievances handling and disciplinary action procedures.

Topics	Explanatory Notes
<ul style="list-style-type: none"> • Motivation and group dynamics 	<ul style="list-style-type: none"> - Apply the following motivation theories to enhance staff efficiency and reduce absenteeism: <ul style="list-style-type: none"> (i) Maslow’s Hierarchy of Needs Theory (ii) Herzberg’s Dual-factor Theory (iii) McGregor’s Theory X and Theory Y (iv) Vroom’s Expectancy Theory (v) Adams’s Equity Theory - Evaluate the impact of different types of work group on organisational efficiency and productivity. - Apply the major team-building techniques and appreciate the synergetic effect of teamwork.
<p>3(c) Marketing Management</p> <p>Role of Marketing</p> <p>Marketing Research</p>	<ul style="list-style-type: none"> - Explain the marketing concept. - Discuss the importance of marketing as a business function. - Describe the planning, organising, implementing and controlling of marketing activities. - Discuss the objectives, strategies and resources of the marketing process. - Explain the importance and major objectives of marketing research. - Apply basic principles for designing marketing research: data collection methods and sampling techniques. - Prepare a simple market research report.

Topics	Explanatory Notes
<p>Customer Behaviour</p>	<ul style="list-style-type: none"> - Describe the customer decision-making process. - Analyse the factors which affect customer decisions. - Identify the major business customers: producers, resellers, governments and institutions. - Distinguish between business and consumer markets.
<p>Marketing Strategies for Goods and Services</p> <ul style="list-style-type: none"> • Target markets • Marketing mix • Customer relationship management (CRM) 	<ul style="list-style-type: none"> - Explain different types of market segmentation methods. - Explain the factors affecting the determination of target market: market niche and positioning. - Explain the concept of marketing mix. - Illustrate different pricing, promotion, product and place strategies for goods. - Apply various marketing mix strategies to different stages of the product life cycle. - Explain the characteristics of services and their effect on marketing mix design. - Compare the differences between traditional marketing strategies and e-marketing strategies. - Explain the importance of CRM to the marketing process. - Evaluate the factors affecting customer loyalty and develop marketing strategies to enhance customer loyalty.

Topics	Explanatory Notes
Consumerism	<ul style="list-style-type: none">- Adopt appropriate consumer values and attitudes in making consumption decisions.- Explain and appreciate the importance of contracts in business.- Evaluate the rights and responsibilities of consumers.- Describe the major consumer protection measures in Hong Kong.

Time Allocation

The suggested time allocation for the various topics is a rough indication intended for teachers' reference only. The sequencing and percentage of time given to each topic do not imply a hierarchical order of relative importance. For effective learning and teaching, teachers are encouraged to employ cases or themes to integrate learning elements from related topics in the curriculum. The actual time allocated may be used flexibly according to students' abilities and teachers' approaches and strategies.

Topics	Suggested percentage of lesson time (%)
Compulsory Part	
<ul style="list-style-type: none"> ● Business Environment ● Introduction to Management ● Introduction to Accounting ● Basics of Personal Financial Management 	7 9 15 9
<i>Sub-total</i>	about 40%
Elective Part (Students select ONE module)	
<i>Accounting Module</i>	
<ul style="list-style-type: none"> ● Financial Accounting ● Cost Accounting 	40 20
<i>Sub-total</i>	about 60%
<i>Business Management Module</i>	
<ul style="list-style-type: none"> ● Financial Management ● Human Resources Management ● Marketing Management 	18 17 25
<i>Sub-total</i>	about 60%
Total <i>(Assumption: Total lesson time = 270 hours)</i>	100%

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Chapter 3 Curriculum Planning

This chapter provides guidelines to help schools and teachers to develop a flexible and balanced curriculum that suits the needs, interests and abilities of their students, and the context of their school, in accordance with the central framework provided in Chapter 2.

3.1 Guiding Principles

It is of the utmost importance that school management, BAFS panel chairpersons and the teachers concerned to discuss, plan, and collaborate in designing and implementing the BAFS curriculum to facilitate student learning, cultivates their generic skills, positive values and attitudes with reference to the following principles:

Alignment for a broad and balanced whole-school curriculum

The provision of a wide range of elective subjects in the senior secondary curriculum aims to widen the knowledge base for student selection and to provide opportunities for in-depth study of individual subjects in preparation for students' further studies and careers. To achieve the overall goals of senior secondary education as stipulated in the Senior Secondary Curriculum Guide (CDC, 2007), schools should design and develop a broad and balanced school-based curriculum by offering elective subjects from various Key Learning Areas, including the Technology Education Key Learning Area, to complement or supplement student learning as a whole. In other words, the traditional way of grouping subjects in a specific stream (e.g. science / arts / business only) can be replaced by a mixture of elective subjects from various KLAs together with BAFS to widen student choice and whole-person development. In addition, the offering of related Applied Learning (ApL) courses may be considered to cater for diverse student learning abilities and interests. Schools may also consider collaborating with other schools to form networked classes for effective implementation.

Meeting student needs and developing their full potential

For effective planning of the BAFS curriculum and to achieve the curriculum aims, learning targets, learning objectives and learning outcomes specified in Chapter 2, the following questions can be considered:

- How can the curriculum be organised to achieve the aims, learning targets, learning objectives and broad learning outcomes? (Refer to Sections 1.3, 2.2– 2.4.)
- How can the curriculum be organised to cater for the different learning needs of students? (Refer to Sections 3.3 and 3.4.)
- How can the curriculum be organised to facilitate students' decisions on progression in their studies? (Refer to Section 3.2.)
- How can 'assessment for learning' be promoted? (Refer to Chapter 5.)

Maximising available human and other resources

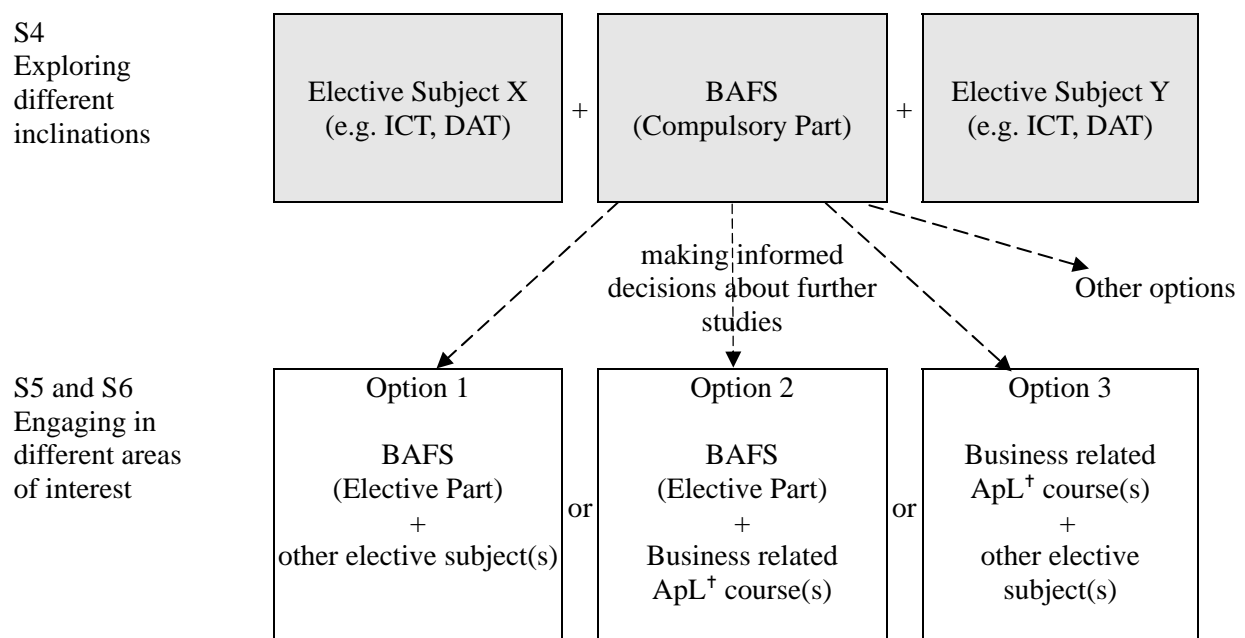
The school management and BAFS panel chairpersons must be flexible in deploying appropriate teaching and administrative staff, time-tabling, and the use of school facilities and equipment, to provide the necessary professional and logistic support for carrying out various BAFS-related student learning activities outside the classroom. Alternatively, such activities can be incorporated in school or community events as enrichment for students' other learning experiences.

3.2 Progression

The BAFS curriculum expects students to study the compulsory part before they proceed to more in-depth study in their chosen elective module. Schools may employ different ways of organising the three-year BAFS curriculum to provide more room for student learning and use the learning time effectively.

As students are promoted from junior to senior secondary education, it is essential for them to make informed decisions about their studies, in line with their inclinations, learning styles, abilities and interests. Schools may utilise a flexible curriculum framework to enable students to explore their preferences among the various elective subjects in S4. This will help them to gather more information before progressing to S5–6. The compulsory part of BAFS provides students with a macro view of business. Students may either apply their acquired knowledge and skills, positive values and attitudes through further studies in the elective part of the curriculum or transfer to other subjects, as illustrated in the following figure.

Figure 3.1 Progression for BAFS



† ApL stands for Applied Learning

After completing the compulsory part of BAFS, students will need to select either the “Accounting” or the “Business Management” module in the elective part. To help them to make decisions about their further studies, schools may conduct an induction programme to explore their interests. For instance, an induction programme for the elective part could include activities such as sample lessons, guest lectures or visits related to the “Accounting” and “Business Management” modules, as indicated below.

Figure 3.2 Examples of induction programme

Activities	Accounting Module	Business Management Module
Overview of the Elective Part	Overview of the Accounting Module	Overview of the Business Management Module
Sample lessons	Suggested topics in Financial Accounting and/or Cost Accounting	Suggested topics in Financial Management, Marketing Management, and/or Human Resources Management
Guest lectures	A professional accountant from a business enterprise e.g. financial controller, chief accountant	An entrepreneur or Chief Executive Officer from the business sector
Extra-curricular activities	Visits to financial institutions or corporations Focus: accounting, human resources, marketing, etc.	

3.3 Curriculum Planning Strategies

Students vary in many respects, and so do teachers and schools. In planning the BAFS curriculum, implementation strategies may be based on students’ ability, teachers’ expertise, the availability of school facilities and resources, and the time-tabling patterns in schools. The following suggestions provide ideas as to how schools may plan the curriculum to cater for students with different abilities and interests, to integrate learning with life-wide learning experiences and assessment, and to make student learning more meaningful.

3.3.1 Catering for learner diversity

Students differ in their abilities, inclinations, interests, motivation and learning styles. Guidance should be provided to help students explore their inclinations and develop their potential to the full. BAFS includes two modules: “Accounting” and “Business Management” in the elective part to cater for such student differences. Schools are encouraged to offer both elective modules, from which students may choose one. In addition, schools may design a range of learning activities outside class hours to fulfil students’ different learning needs.

Example

Schools can be flexible in designing learning and teaching activities. The following example illustrates how a school might arrange different activities for two groups of students. The first group of students is more inclined to self-directed learning, while the second group prefers interactive activities. In addition to the regular lesson time, each group will have additional learning activities based on their learning styles to enhance their learning in BAFS.

Group A	Group B
e.g. simulated business competitions, independent reading, challenging learning tasks	e.g. guidance tutorials, role-plays, debates, visits, seminars

3.3.2 Promoting life-wide learning

Schools may arrange their time-tables in a way that involves student participation in life-wide learning activities in authentic contexts. As the learning activities may take half a day or longer, schools may consider allocating a long session on a weekly basis for activities such as visits to firms or business talks. Such an arrangement will give teachers flexibility in planning and arranging life-wide learning or extended activities for their students.

Examples

To support student learning with life-wide learning experiences, teachers may organise the following activities during their weekly long sessions:

- a visit to a flea market to enrich students' understanding of entrepreneurship;
- participation in business competitions or events;
- visits to different banks or financial institutions and collecting information on various financial products and services; and
- attending tradeshows or exhibitions.

3.3.3 Flexible use of learning time

Booklet 2 of the *Senior Secondary Curriculum Guide (CDC, 2007)* advises schools to allocate 10% of the curriculum time to each elective subject, and also a minimum of 15% to Other Learning Experiences. The latter may include moral and civic education, community service and career-related experiences that enhance student learning of BAFS. Schools may make use of the curriculum time for Other Learning Experiences to arrange activities such as participation in business competitions and visits to business corporations which provide students with a wider exposure to the business world. Schools may wish to refer to case 1 in the examples of curriculum planning in section 3.3.7 for more information.

3.3.4 Making student learning more meaningful

Schools should make effective use of a range of human, learning and administrative resources to enhance student learning. Within the school environment, there are many extra-curricular activities or school clubs and societies in which BAFS students can apply their business knowledge and skills. By engaging in such activities, students can reinforce their learning and recognise the usefulness and relevance of business knowledge and skills to their daily lives.

Examples

The following examples illustrate how students may practise their business knowledge and skills in different school activities:

- Applying accounting knowledge in preparing financial records and statements for the student union and clubs;
- Applying management strategies in organising school events such as open days, school dramas, fashion shows, singing contests and community services; and
- Performing cost-volume-profit analysis in selling refreshments or souvenirs to visitors at school open days.

3.3.5 Integrating curriculum planning and learning with assessment

Effective assessment involves collecting evidence about students' learning, on the basis of which useful feedback can be provided to students, and to enable teachers to adjust their teaching. Assessment activities support student learning. A variety of modes of assessment, including presentations or debates on business issues, preparation for and review of business talks/visits, and pen-and-paper tests, can be adopted to help teachers monitor student progress.

SBA and internal assessment should be built into ongoing learning and teaching activities to

avoid excessive workload pressure on teachers and students. They should not be “add on elements”. The delivery of SBA activities should form an integral part of the curriculum plan. Schools might like to consider connecting the activities under ‘Other Learning Experiences’ (see section 3.3.7: case 1) with SBA tasks for effective use of time. More information on assessment, including SBA and public examinations, is given in Chapter 5.

3.3.6 Collaboration with other senior secondary subjects

The BAFS curriculum can be connected to the learning of other senior secondary subjects. Indeed, it is desirable that teachers of BAFS cooperate with teachers of other senior secondary subjects to organise learning and teaching activities, as illustrated in the following examples:

Collaboration with core subjects

BAFS teachers may collaborate with teachers of Liberal Studies to organise learning and teaching activities such as debates on business ethics and social responsibilities to supplement the learning of the two subjects.

Collaboration with elective subjects

BAFS teachers may cooperate with teachers of different elective subjects, such as Economics, Information and Communication Technology (ICT), Tourism and Hospitality Studies, and Physical Education to arrange joint activities within or outside normal school hours. For instance, schools may organise visits or guest lectures on ICT applications in business as an essential learning experience in studying BAFS and ICT.

Collaboration with Applied Learning (ApL)

At S4, BAFS teachers may collaborate with the co-ordinators of ApL courses to organise induction activities to support students in making informed decisions about their study options. For example, a sharing session with students who are studying business-related ApL courses or guest lectures by ApL course providers might complement students’ knowledge in studying business at senior secondary level.

3.3.7 Examples of curriculum planning

Curriculum planning and development is an on-going process. Schools are encouraged to develop their own school-based curricula whenever appropriate and feasible. Some examples of BAFS curriculum planning are given below:

Case 1 BAFS Curriculum Planning in ABC Secondary School				
Background				
<p>ABC secondary school plans to offer BAFS as one of the elective subjects in the senior secondary curriculum. To support student learning by enriching their exposure to the business world, the school arranges some ‘Other Learning Experiences’ such as career-related experiences, community service and moral and civic education to supplement the learning of BAFS.</p>				
Progression at senior secondary level				
Level				
S6	Chinese Language, English Language, Mathematics, Liberal Studies	BAFS	X2 (X3)	<ul style="list-style-type: none"> • Entrepreneur experience such as organising fund-raising activities or starting up a small business in a flea market • Study tour / field trip • Job attachment • Organising school functions such as an Xmas party, carnival, open day • Participating in a business competition • Attending workshops /seminars/exhibitions on business • Attending career talks on business • Visits to business corporations • School debates on business issues, etc.
S5	Chinese Language, English Language, Mathematics, Liberal Studies	BAFS	X2 (X3)	
S4	Chinese Language, English Language, Mathematics, Liberal Studies	BAFS	X2 (X3) (X4)	
	Core Subjects	Elective Subjects		Other Learning Experiences
() optional				
Rationale				
<p>To enrich and supplement student learning by providing students with a wider exposure to the business world through ‘Other Learning Experiences’</p>				

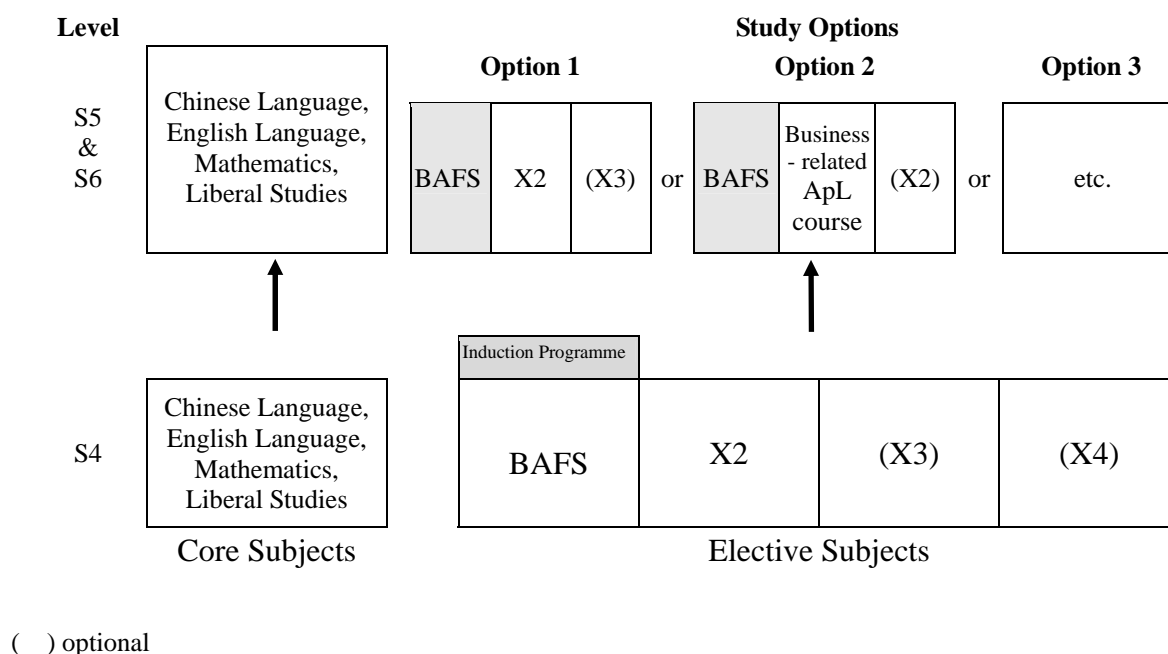
Case 2 BAFS Curriculum Planning in LKK Secondary School

Background

LKK secondary school plans to offer a broad and diversified senior secondary curriculum to their students. The student programme comprises core and elective subjects, and ApL course(s). The school provides a wide spectrum of subjects to enable students to make informed decisions about further studies. Students are encouraged to take more subjects than the number of examination subjects recommended (six to seven) to explore their interests at S4 before they make decisions about S5 and S6.

BAFS is one of the elective subjects included in LKK's senior secondary curriculum. The compulsory part of BAFS provides students with a holistic foundation in business at S4. They may choose to continue their studies in business through the elective part of the BAFS or select other learning options to meet their needs.

Progression at senior secondary level



Rationale

- To provide a flexible senior secondary curriculum framework to cater for the diverse learning needs of students
- To provide students with a macro view of business at S4 so that they can make informed decisions about their further studies in S5

3.4 Curriculum Management

The following are some major considerations when making decisions on how to manage the curriculum more effectively:

3.4.1 Understanding the curriculum and student needs

A thorough understanding of the positioning, rationale, aims, learning targets, key concepts and critical features of the BAFS curriculum among the teachers concerned will greatly enhance the effectiveness of learning. Under the leadership of the BAFS panel chairpersons, teachers can collaborate in the planning of lessons / functions / events and share their expertise in designing a wide range of meaningful and authentic learning and teaching activities using the school and the community context as a business setting. This will motivate and encourage students to study and apply their knowledge and skills to solve problems and try out new ideas.

To prepare students for the transition from junior secondary to senior secondary BAFS, schools may offer ‘taster’ junior secondary business education modules under the Technology Education Key Learning Area to give students an idea of what the subject is about. Various study options should be provided for students after they complete the compulsory part of BAFS (refer to Section 3.3.7: examples of curriculum planning).

3.4.2 Roles of curriculum leaders

For effective learning and teaching, school heads, Technology Education Key Learning Area co-ordinators/BAFS panel chairpersons and teachers, who are change agents for implementing the BAFS curriculum, must cooperate in the planning, development and management of the school-based BAFS curriculum.

School heads are expected to direct the planning of the whole-school curriculum and assessment policies based on the needs of their students and the strengths of their school and teachers. They should set priorities for development, and steer the transition to the curriculum framework in phases and by levels. Effective communication with all the parties concerned, such as Key Learning Area co-ordinators/subject panel chairpersons, teachers, parents and students is vital for successful implementation of curriculum change.

The Technology Education Key Learning Area co-ordinator/BAFS panel chairperson is expected to lead and guide panel members to review their practices regularly, and focus on how student learning can be improved through changes in pedagogy. They should help to ease teachers’ worries, share knowledge with them, clarify their misconceptions and support them in coping with change.

BAFS teachers should take on the roles of curriculum leaders by initiating innovative curriculum practices. As their work has a direct impact on the quality of student learning, they are also expected to keep abreast of the latest developments in the subject, and develop and try out new learning and teaching strategies, assessment modes, and curriculum design and organisation; and they can foster the development of a learning community to establish a platform for continuous improvement.

3.4.3 Managing change

The implementation of the BAFS curriculum should take into consideration the formal curriculum, induction programmes, life-wide learning activities and assessment activities. Schools are also encouraged to develop a school-based business curriculum, make effective use of learning and teaching resources, and deploy appropriate teaching staff to support the delivery of the curriculum. Reference should be made to Booklets 2, 3 and 4 of the *Senior Secondary Curriculum Guide* (CDC, 2007) for more comprehensive coverage of this area.

3.4.4 Resources management

Schools are expected to optimise the use of their facilities and resources. They need to coordinate the utilisation of their IT resources within and among different subjects. Since the use of IT complements the learning of BAFS, schools may arrange appropriate lesson times and/or time slots after school hours for students to use the IT facilities.

3.4.5 Planning for effective progression

Students should be given opportunities to experience business education at junior secondary level through different modes of learning for effective transition to the BAFS curriculum. It is essential that schools deploy their teaching force well, based on their strengths, academic backgrounds and work experience. Schools may establish a business education team led by a panel chairperson to monitor the progress and development of their school-based business curriculum.

3.4.6 Capability building and professional development

It is important for schools to develop a culture of lifelong learning in which teachers recognise the importance of enhancing their professional competencies through continuing professional development. Schools are encouraged to formulate staff development plans so that teachers are fully prepared for the implementation of the BAFS curriculum and assessment framework in schools.

Chapter 4 Learning and Teaching

This chapter provides guidelines for effective learning and teaching of the Business, Accounting and Financial Studies (BAFS) curriculum. It is to be read in conjunction with Booklet 3 in the *Senior Secondary Curriculum Guide* (CDC, 2007), which provides the basis for the suggestions about learning and teaching set out below.

4.1 Knowledge and Learning

The continual advances in technology and the changes that have taken place in the business environment mean that there is a need to rethink and review existing learning and teaching practices and explore how the BAFS curriculum can be learned and taught in an interesting, effective and meaningful way.

4.1.1 Views of knowledge

In the study of BAFS, the focus for learning must be on seeking meaning rather than simply reproducing knowledge. Constructivist learning theory views knowledge as constructed rather than transmitted. Students should develop knowledge through active learning instead of passively taking in factual information; and they should be encouraged to call upon a wide range of sources of knowledge rather than just the teacher.

BAFS stresses the importance of developing students' understanding of how to create value through the process of identifying needs. To keep pace with the dynamic changes in an economy full of business opportunities, BAFS emphasises the development of students' ability to apply knowledge flexibly to tackle business or daily-life problems to meet future challenges. Knowledge is therefore acquired from different business areas, such as accounting, management and finance, for making informed decisions. In the learning process, students need to construct their knowledge by reflection, exploration, analysis, carrying out tasks and evaluation, thereby nurturing their capacity for learning how to learn.

4.1.2 Views of learning and teaching

In BAFS, student learning should be viewed as an active, holistic and purposeful process of acquiring and constructing knowledge. Teaching strategies based on different views of learning – as a “product”, as a “process” and as “co-constructed” – should be utilised flexibly to promote understanding at different levels. For example, direct instruction, which views learning as a “product”, is particularly suitable when students are learning factual information and accessing stored and recorded knowledge; learning as a “process” should be promoted where the emphasis is on the understanding of concepts and their applications in different business areas; and learning as “co-construction” is encouraged where business knowledge and skills are being developed through various interactive activities.

Teachers should adopt pedagogical practices which meet the learning targets and objectives of the curriculum and their students' needs. Noted below are several intertwined learning and teaching approaches which can be adopted by teachers of BAFS; and in Figure 4.1, examples are placed along a spectrum for reference (for details, see Examples A, B, C and D in Appendix).

Teaching as direct instruction

Direct instruction helps students to acquire knowledge in predictable and manageable ways which can reinforce ongoing learning. It is especially useful where explanation and demonstration are required to provide basic concepts and understanding to enable students to study issues further through enquiry.

This is a “teacher-centred” approach which demands that students are attentive and motivated to learn. It is desirable to complement it with more student-centred approaches which involve active student participation and interaction, and encourage them to move beyond memorisation to higher levels of learning which involve clarification, expansion, generalisation and inference.

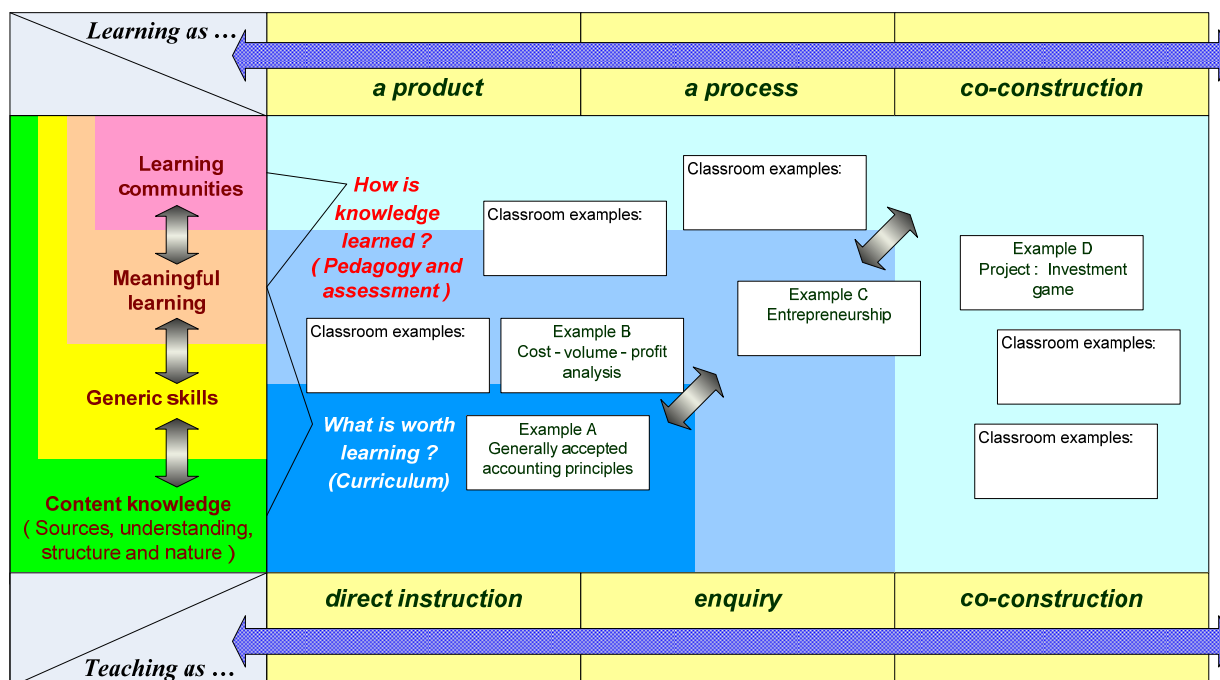
Teaching as enquiry

The essence of enquiry is active involvement leading to understanding and the construction of new knowledge. BAFS stresses the development of decision-making skills to solve business issues through various activities in which students learn how to identify problems, investigate issues, generate and evaluate possible solutions and make reasoned decisions. As such, it requires students to go beyond facts and information accumulation and move to meaning-making and application of knowledge. This helps to nurture skills and attitudes that enable students to pursue lifelong learning.

Teaching as co-construction

Knowledge is constructed socially by collaborating with others in a learning community. In an era when knowledge is expanding dramatically, it is essential to promote a collaborative culture in which students create and share knowledge rather than acquire it passively in isolation. As business emphasises communication and problem-solving skills, teachers and students are encouraged to work together as partners in selecting business issues for further investigation and analysis and co-construction of knowledge.

Figure 4.1 Approaches to learning and teaching



4.1.3 Roles of teachers and students

To promote student learning, teachers need to expand their roles: they have to become facilitators of learning, not just experts transmitting knowledge. They need to concern themselves with teaching their students *how* to learn rather than just *what* to learn; and they should ensure that students are actively involved in learning. It is recommended that teachers should adopt a variety of student-centred pedagogies which emphasise active learning and collaboration through authentic tasks. Students in turn are expected to learn interactively and initiate learning activities which articulate with their learning needs. They have to move from being passive listeners to becoming independent learners who engage in the construction of their own knowledge. It is hoped that through this they will become intrinsically motivated and develop a lifelong interest in learning about business.

4.1.4 Effective pedagogy and teaching for understanding

Learning and teaching strategies should be designed to bring about understanding and stimulate students to pursue knowledge on their own. Sections 4.2– 4.5 of this chapter provide further guidance on effective learning and teaching for the BAFS curriculum, and Appendix includes some examples of practices for developing business knowledge, generic skills, and positive values and attitudes.

4.2 Guiding Principles

In teaching BAFS, the following principles need to be considered.

- ***Building on prior knowledge and experience:*** One of the design principles for BAFS is to provide an interface between the junior and senior secondary curriculum. Particularly for first year senior secondary students, teachers need to be fully aware of the knowledge they have gained, and the approaches to study they have used, at junior secondary level. Learning activities should be planned with students' prior knowledge and experience in mind.
- ***Understanding learning targets:*** The quality of learning and teaching can be improved when both the teacher and students are clear about the learning targets and objectives. This enables teachers to reflect on what they want students to learn, and why; and it helps students to see what is worth learning and to select appropriate methods for studying. Examples A to D in Appendix illustrate the incorporation of clear learning targets in learning activities.
- ***Adopting a wide range of learning and teaching approaches and strategies:*** Teachers are encouraged to adopt a wide repertoire of strategies to achieve the curriculum aims and learning objectives of BAFS, such as developing decision-making and communication skills, according to the learning styles, abilities, interests and needs of their students. For further information, please refer to section 4.3: "Approaches and Strategies".
- ***Effective use of resources:*** It is important for teachers to use a variety of learning and teaching resources (e.g. the Internet and newspapers) instead of relying solely on textbooks. Community resources can be utilised to maximise the opportunities for learning BAFS within and outside the school environment – for example by arranging for students to participate in seminars, visits or exhibitions. Section 6.3.5 provides information on how to make effective use of community resources.
- ***Enhancing motivation:*** Schools and teachers often need to apply a variety of learning and teaching strategies to motivate student learning. In BAFS, an effective strategy is to relate the theoretical ideas to everyday experience so that students see the relevance of what they learn in the classroom to the world outside (please refer to Example B in Appendix). To motivate those with less ability, teachers may need to design structured learning tasks which they can complete successfully.
- ***Promoting classroom interaction:*** Classroom interaction is essential for developing business knowledge and skills. Teachers may need to incorporate strategies for encouraging teacher-student and student-student interaction. In interacting with their students, teachers need to give them feedback on their progress and how they can improve. This not only benefits students but allows teachers to make any necessary adjustments to their pedagogies and pace of teaching. For more information on classroom interaction and feedback, please refer to section 4.4.
- ***Promoting independent, self-directed learning:*** Students should be encouraged to take responsibility for their own learning. The overall objective is to develop students' capacity for self-directed learning in which they consult not just textbooks but also

other up-to-date resources such as business journals, magazines and newspapers.

- ***Catering for learner diversity:*** Teachers are encouraged to apply different learning and teaching strategies to cater for students' different learning needs, interests and aptitudes. For more information, please refer to section 4.5.

4.3 Approaches and Strategies

Since student learning is dynamic and complex, there is no single approach that is best for all learning and teaching. A variety of learning and teaching approaches, strategies and activities should be adopted to cater for students' different learning styles.

4.3.1 Engaging in the decision-making process

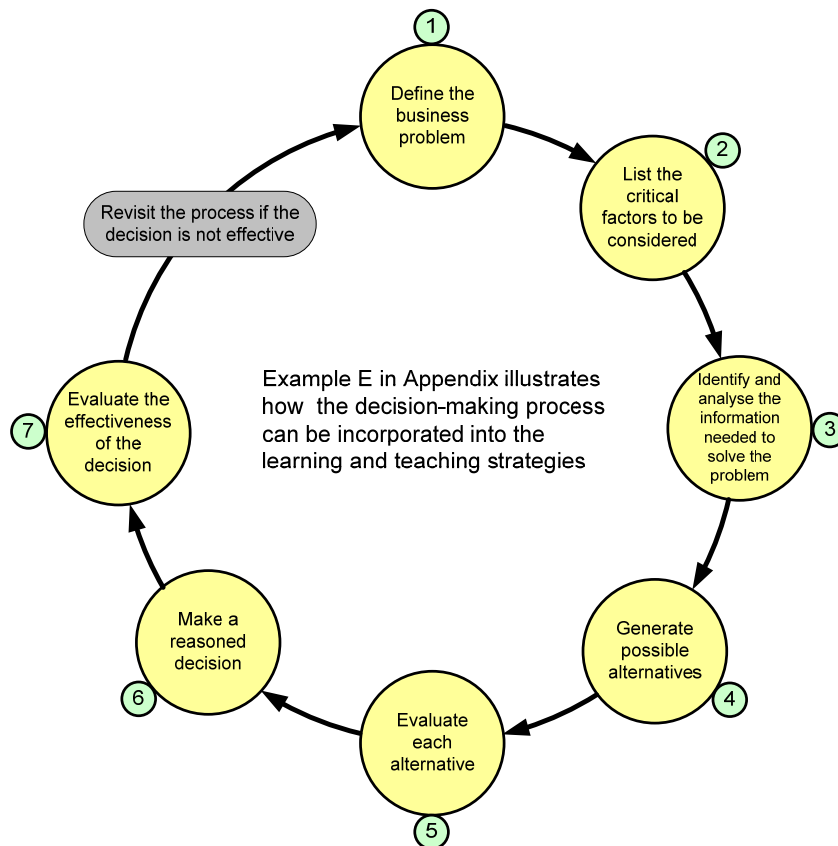
In the world of business, enterprises demand employees who can think logically and critically to solve business problems. In order to enhance students' problem-solving ability, it is essential to develop their decision-making skills when analysing business issues. Activities should be designed to encourage students to go through the process of decision-making which can develop the ability to make reasoned business decisions. This is illustrated in Figure 4.2.

The roles of teachers in engaging students in the decision-making process are as follows:

- Introduce the benefits of developing decision-making skills.
- Develop students' critical thinking skills and ability to analyse issues and justify their viewpoints with evidence.
- Nurture creativity.
- Encourage freedom of expression of ideas in discussion.
- Enhance students' exposure to the business world by accessing a variety of sources of information.
- Provide classroom opportunities for practising business decision-making.

Sometimes, the same business problem may be used several times during the course of study for in-depth investigation of the same issue. By going through the decision-making model, students are asked to revisit the same problem or situation and recall the suggestions made before. They then apply the newly acquired knowledge to produce a more comprehensive analysis of the same problem. Through this process of synthesising new with prior knowledge, students are helped to reframe and restructure their business concepts.

Figure 4.2 *The decision-making process in analysing business issues*



4.3.2 Selection of learning and teaching approaches

The following table gives examples of learning and teaching approaches that teachers may adopt for developing students’ decision-making and higher-order thinking skills.

Examples of learning and teaching approaches
<p>Theme-based learning</p> <p>The learning elements in BAFS are inter-related, not discrete. A theme-based approach is used to organise and integrate the learning elements of different business areas around a theme that connects to real-world issues. Selecting the topics related to students’ life experiences and interests can make learning more meaningful. The learning elements should be delivered flexibly and build on each other around a theme by integrating the relationships among the elements of knowledge. This approach equips students with the necessary knowledge and skills to bring together the relevant perspectives in making business decisions (please refer to Example C in Appendix for more details).</p>
<p>Project-based learning</p> <p>Working on tasks or integrated projects that simulate a business environment enables students to learn how to solve real-life problems. For example, through working on an investment project, students not only have the opportunity to reaffirm or reconstruct the knowledge, skills, values and attitudes they have acquired but also to develop their research, team-building, interpersonal and high-order thinking skills (please refer to Example D in Appendix for more details).</p>

Problem-based learning

This approach engages students actively in learning rather than just receiving knowledge passively. Students act like professionals in confronting real business scenarios. They need to identify the problems embedded in the scenarios, develop hypotheses, collect relevant information, evaluate different alternatives and recommend the desirable solution. This is an example of learning how to learn. Students participate actively in contextualising information, and the teachers provide guidance and feedback, and nurture an environment that supports active student learning.

Collaborative learning

Collaborative learning involves students working together on a learning task to share their knowledge and skills. In collaborative learning, students learn how to resolve group conflict and develop their interpersonal skills in a social learning environment that mirrors the real business world in which building a harmonious relationship with team members is a key factor in success.

4.3.3 Choosing an appropriate instructional strategy

After deciding on the appropriate approach for learning and teaching, teachers may adopt different instructional strategies to engage students in the learning process. It is recommended that BAFS teachers adopt a wide range of strategies to motivate students to achieve the curriculum aims. Through carefully selected strategies such as group discussion, debate, role-play and project work, students learn how to learn and accept learning as their own responsibility.

The following strategies are suggested for teachers' reference.

Table 4.1 Possible instructional strategies

Types	Purposes	Examples
Group discussion	<ul style="list-style-type: none"> • allows students to share and compare ideas, views and knowledge with peers • encourages students to think from wider perspectives to generate business solutions 	<p><i>Compulsory Part – Basics of Personal Financial Management</i></p> <p>Discuss the potential problems with the misuse of credit cards.</p>
Case study	<ul style="list-style-type: none"> • allows students to relate subject knowledge to real-life situations • helps students to apply business knowledge to understand how people solve business problems and make decisions 	<p><i>Elective Part – Cost Accounting</i></p> <p>How do changes in the cost of production affect businesses?</p> <p><i>Compulsory Part – Introduction to Accounting</i></p> <p>Analyse and apply the relevant accounting concepts in case problems.</p>
Debate	<ul style="list-style-type: none"> • provokes critical thinking • involves discussing issues from opposing angles, evaluating the ideas generated, and defending positions against counter-proposals • requires students to synthesise their knowledge • provides opportunities for students to demonstrate their communication skills 	<p><i>Compulsory Part – Business Environment</i></p> <p>Debate whether globalization has had a positive impact on the business environment and business relationships.</p> <p>Debate the view that the prime objective of running a business is to maximise profit.</p>

Types	Purposes	Examples
Role-play	<ul style="list-style-type: none"> • allows students to put themselves in the position of participants in real-life situations • encourages reflective thinking • involves applying knowledge and skills in business scenarios 	<p><i>Compulsory Part – Introduction to Management</i></p> <p>Act as members of a board of directors meeting to discuss collaboration among different departments in given scenarios.</p>
Simulation game	<ul style="list-style-type: none"> • provides opportunities for students to practise business skills and apply business knowledge • motivates students to enjoy learning by involving them in competing/cooperating according to prescribed rules 	<p><i>Elective Part – Business Management</i></p> <p>Carry out a simulated management game to make business decisions, e.g. business expansion or developing a new product line.</p>
Field visit	<ul style="list-style-type: none"> • enables students to explore the business world • enriches students’ exposure to the realities of business 	<p><i>Compulsory Part - Introduction to Management</i></p> <p>Arrange visits to a business firm to learn about its operations and understand its business activities, e.g. the workflow, staff management and marketing strategies.</p>
Questioning	<ul style="list-style-type: none"> • when thought-provoking, encourages logical and in-depth analysis • challenges students to justify their viewpoints with evidence 	<p>Any issue that requires the exploration of reasons and factors</p> <p><i>Compulsory Part – Business Environment</i></p> <p>Open-ended questions such as “Why do we need business? Discuss.”</p>
Reading newspapers /business journals/ articles	<ul style="list-style-type: none"> • enhances students’ awareness of the richness of information available • helps students to learn how to collect, analyse, and acquire updated knowledge independently • enables students to keep abreast of the latest issues and developments in the business 	<p><i>Compulsory Part - Introduction to Management</i></p> <p>Read articles on the following topics and summarise the content with the aid of diagrams:</p> <p>Investigate the business opportunities arising from economic development in the Pearl River Delta region.</p>

Types	Purposes	Examples
	world as a whole, both locally and globally <ul style="list-style-type: none"> • encourages students to share information and views on business issues with peers and teachers 	Explain why a country's entrepreneurial activities are so important for its economic growth.
Information technology (IT) applications	<ul style="list-style-type: none"> • allows students to experience interactive learning • reinforces students' understanding and helps them to progress at their own pace • encourages students to access world-wide information without the constraints of time and location for self-directed learning 	IT applications can help students in conducting research, surveys and numeracy work. <i>Compulsory Part – Basics of Personal Financial Management</i> Use software e.g. spreadsheets to prepare personal budgets and investment projects. <i>Elective Part – Financial Accounting</i> Demonstrate the use of accounting software in preparing financial statements.

4.3.4 Meaningful assignments

To promote effective learning, it is very important for teachers to involve students in tasks which are meaningful. In doing so, teachers are expected to follow the guidelines below and exercise their professional judgment.

Balancing theory and practice

When designing assignments, BAFS teachers should incorporate tasks which help students to develop both theoretical knowledge and practical applications in different business areas. Example D in Appendix illustrates the use of a task in which students have to search for and analyse authentic information which involves them in thinking about both business theories and practices.

Using authentic business contexts

Using tasks which involve authentic business contexts can develop an understanding of the integrated nature of various business areas. It can also motivate students as they see the relevance of what they are learning to the real world. Example B in Appendix illustrates how to assign tasks that require students to apply their business knowledge in supporting school clubs and societies.

4.4 Classroom Interaction

Classroom interaction plays an important role in learning. It involves not only communication between teachers and students but also among students. Interaction helps teachers to understand how well their students are progressing and enables students to explore what they know and don't know, and to try out their ideas and receive reactions to them.

4.4.1 Types of classroom interaction

The following table provides examples of classroom interaction, which are classified into two categories (a) direct instruction complemented with questioning and (b) group activities. These are considered further in section 4.4.2 and 4.4.3 respectively.

Table 4.2 *Examples of classroom interaction*

Direct instruction complemented with questioning	
Teacher to students (whole class)	Through direct instruction complemented with questioning, teachers can lead the whole class to discuss an issue, investigate some difficult concepts or disseminate some important information.
Group activities	
Student to student (pair)	Students work with a partner to solve a business problem by asking each other questions, sharing information, etc. An activity involving this type of interaction is given in Example A in Appendix.
Student to student (small groups)	Group work provides excellent opportunities for students to share their knowledge, solve problems, brainstorm ideas, participate in discussion and develop team-building skills.
Student to student (whole class)	Teachers may arrange group presentations, debates, role-play or student-led activities to allow them to learn from each other.
Teacher to students (small groups)	When group work is used in class, the teacher plays the role of a facilitator, moving from group to group to check on their progress, help with any problems and encourage students to ask questions.

4.4.2 Direct instruction complemented with questioning

Direct instruction (e.g. lecturing) is one of the main forms of knowledge transmission in a learning environment. Students' understanding will be enhanced if teachers include thought-provoking questions based on students' previous knowledge and the lesson content

during presentations. The questions should be carefully constructed to stimulate students' thinking and reasoning skills. Teachers should also give constructive and helpful feedback or hints to facilitate further questions for improving student learning. Effective use of questioning and feedback during direct instruction can increase students' participation and interaction in lessons. Example A in Appendix illustrates direct instruction combined with questioning.

4.4.3 Group activities

Group activities provide opportunities for interaction between students. Teachers should use activities such as role-play and discussion so that students can learn how to exchange ideas, confront competing views and develop more effective communication skills. To function well, groups need to have a clear focus, with each member being assigned a specific role. For group activities in class, teachers have to create an environment in which students feel free to discuss their ideas without feeling embarrassed about making mistakes and respect each other's opinions. An example of group activities as an instructional strategy is given in Example B in Appendix.

To gain the full benefit from interaction and cooperation among students, teachers have to organise effective and different grouping arrangements. The following guidelines are suggested for group activities:

- Include students with different levels of achievement, interests and learning styles in groups so that they can share their differing viewpoints;
- Stress individual accountability where students are working independently on a specific portion of a task and helping each other to complete it; and
- Nurture an encouraging atmosphere in which students undertake individual work but help each other by giving feedback and suggestions to achieve the learning goals.

4.5 Catering for Learner Diversity

It is essential to cater for learner differences in, for example, ability and attainment, interests and learning styles. This requires teachers to design a wide range of learning activities which meet students' individual needs. For students with special educational needs, the learning and teaching strategies and arrangements have to be adjusted to help them to progress as well possible in their learning.

4.5.1 Students with different learning styles and abilities

Students differ in their preferred ways of learning. For example, some students may prefer to learn business concepts first, and then apply them to problems while others may prefer to solve business problems by interacting with their classmates in team-work. Some strategies for BAFS teachers to consider in coping with learner differences are noted below (please refer also to Examples A, B, C and D in Appendix):

General strategies:

- Adopt different teaching strategies to attain the same learning targets and outcomes according to the interests and abilities of students;
- Assign a common task to all students but provide different levels/types of support;
- Design activities at various levels of difficulty;
- Encourage collaboration among students by flexible grouping (please refer to section 4.4.3);
- Include open-ended questions in the learning tasks which allow students to suggest different solutions based on their strengths and learning styles;
- Include various modes of assessment to allow students of differing ability to fulfil their potential; and
- Adopt a collaborative learning strategy which encourages students with different ability and expertise to work together on learning tasks.

Strategies for students with learning difficulties:

- Equip students with simple and effective study tools and skills for organising information (e.g. the use of graphic organisers, planners and note-taking skills);
- Assign more able students as mentors to support their individual learning; and
- Provide frequent feedback and encouragement to enhance students' motivation.

4.5.2 Gifted students

Teachers should adopt different teaching strategies, including extended activities, to maximise the potential of gifted students. Some suggested approaches are noted below:

- Allow students to select their own learning paths;
- Introduce them to the skills of independent learning, such as reflective thinking and study skills, at an early stage so that they can assume responsibility for their own learning;
- Provide opportunities for them to master more demanding information during the process of knowledge-construction;
- Provide challenging learning tasks and extra learning materials to encourage in-depth study of the BAFS curriculum; and
- Engage them in working together to share their reflections in knowledge-building.

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Chapter 5 Assessment

This chapter discusses the role of assessment in learning and teaching Business, Accounting and Financial Studies (BAFS), the principles that should guide assessment of the subject and the need for both formative and summative assessment. It also provides guidance on internal assessment and details of the public assessment of BAFS. Finally, information is given on how standards are established and maintained, and how results are reported with reference to these standards. General guidance on assessment can be found in the *Senior Secondary Curriculum Guide* (2007).

5.1 The Roles of Assessment

Assessment is the practice of collecting evidence of student learning. It is a vital and integral part of classroom instruction, and serves several purposes and audiences.

First and foremost, it gives feedback to students, teachers, schools and parents on the effectiveness of teaching and on students' strengths and weaknesses in learning.

Second, it provides information to schools, school systems, government, tertiary institutions and employers to enable them to monitor standards and to facilitate selection decisions.

The most important role of assessment is in promoting learning and monitoring students' progress. However, in the senior secondary years, the more public roles of assessment for certification and selection come to the fore. Inevitably, these imply high-stakes uses of assessment since the results are typically employed to make critical decisions about individuals.

The Hong Kong Diploma of Secondary Education (HKDSE) provides a common end-of-school credential that gives access to university study, work, and further education and training. It summarises student performance in the four core subjects and in various elective subjects, including both discipline-oriented subjects (including BAFS) and the new Applied Learning courses. It needs to be interpreted in conjunction with other information about students given in the Student Learning Profile.

5.2 Formative and Summative Assessment

It is useful to distinguish between the two main purposes of assessment, namely “assessment *for* learning” and “assessment *of* learning”.

“Assessment *for* learning” is concerned with obtaining feedback on learning and teaching and utilising this to make learning more effective and introduce any necessary changes to teaching strategies. We refer to this kind of assessment as “formative assessment” because it is all about forming or shaping learning and teaching. Formative assessment should take place on a daily basis and typically involves close attention to small “chunks” of learning.

“Assessment *of* learning” is concerned with determining progress in learning, and is referred

to as “summative” assessment, because it is all about summarising how much learning has taken place. Summative assessment is normally undertaken at the conclusion of a significant period of instruction (e.g. at the end of the year, or of a key stage of schooling) and reviews much larger “chunks” of learning.

In practice, a sharp distinction cannot always be made between formative and summative assessment, because the same assessment can in some circumstances serve both formative and summative purposes. Teachers can refer to the SSCG for further discussion of formative and summative assessment.

Formative assessment should be distinguished from continuous assessment. The former refers to the provision of feedback to improve learning and teaching based on formal or informal assessment of student performance, while the latter refers to the assessment of students’ on-going work and may involve no provision of feedback that helps to promote better learning and teaching. For example, accumulating results in class tests carried out on a weekly basis, without giving students constructive feedback, may neither be effective formative assessment nor meaningful summative assessment.

There are good educational reasons why formative assessment should be given more attention and accorded a higher status than summative assessment, on which schools tended to place a greater emphasis in the past. There is research evidence indicating that formative assessment is beneficial when used for refining instructional decision-making in teaching and generating feedback to improve learning. For this reason, the CDC report *Learning to Learn – The Way Forward in Curriculum Development* (CDC, 2001) recommended that there should be a change in assessment practices, with schools placing due emphasis on formative assessment to make assessment *for* learning an integral part of classroom teaching.

It is recognised, however, that the primary purpose of public assessment, which includes both public examinations and moderated School-based Assessments (SBA), is to provide summative assessments of the learning of each student. While it is desirable that students are exposed to SBA tasks in a low-stakes context and that they benefit from practice and experience with such tasks (i.e. for formative assessment purposes) without penalty, similar tasks will need to be administered subsequently as part of the public assessment process to generate marks to summarise the learning of students (i.e. for summative assessment purposes).

Another distinction to be made is between internal assessment and public assessment. Internal assessment refers to the assessment practices that teachers and schools employ as part of the ongoing learning and teaching process during the three years of senior secondary studies. In contrast, public assessment refers to the assessment conducted as part of the assessment process in place for all schools. Within the context of the HKDSE, this means both the public examinations and the moderated SBA conducted or supervised by the HKEAA. On balance, internal assessment should be more formative, whereas public assessment tends to be more summative. Nevertheless, this need not be seen as a simple dichotomy. The inclusion of SBA in public assessment is an attempt to enhance formative assessment or assessment *for* learning within the context of the HKDSE.

5.3 Assessment Objectives

The assessment objectives in BAFS are closely aligned with the curriculum framework and the broad learning outcomes presented in earlier chapters.

The learning objectives to be assessed in BAFS are listed below. Students should be able to:

Knowledge and understanding

- apply concepts and knowledge in an integrated manner to attain specified goals for business ventures and solve problems encountered in the business context;
- identify opportunities, generate innovative ideas and manage resources for business development;
- analyse how management reacts to the dynamic business environment in formulating strategic plans;
- evaluate the management efficiency and financial performance of businesses to make personal and/or business financial decisions;
- apply the management concepts related to human resources, finance and marketing in business decision-making; and
- use accounting information effectively to monitor business performance and suggest means to add value to human and financial resources.

Skills

- collect, process and analyse business information necessary for strategic planning and business development;
- apply critical thinking and problem-solving skills in evaluating business issues and making ethical decisions;
- demonstrate effective communication, team-building and interpersonal skills in business; and
- use basic business application software and apply ICT skills in business projects.

Values and attitudes

- be socially responsible and caring, in particular when playing the roles of consumers / employees / entrepreneurs / investors in the business world, and in society at large;
- appreciate themselves as valuable human capital and enhance their commitment to society; and
- be reflective and self-motivated lifelong learners to meet the demands of the rapidly changing business world.

The majority of the above assessment objectives are applicable to both internal and public assessment, while some may not be applicable to public assessment. Those objectives applicable to public assessment will be listed in the approved Regulations and Assessment Frameworks published by the HKEAA.

5.4 Internal Assessment

This section presents the guiding principles that can be used as the basis for designing internal assessment and some common assessment practices for BAFS. Some of these principles are common to both internal and public assessment.

5.4.1 Guiding principles

Internal assessment practices should be aligned with curriculum planning, teaching progression, student abilities and local school contexts. The information collected will help to motivate, promote and monitor student learning, and will also help teachers to find ways of promoting more effective learning and teaching.

(a) *Alignment with the learning objectives*

A range of assessment practices should be used to assess the achievement of different learning objectives for whole-person development. These include group discussion, projects, and fieldwork. The weighting given to different areas in assessment should be discussed and agreed among teachers. The assessment purposes and criteria should also be made known to students so that they have a full understanding of what is expected of them.

(b) *Catering for the range of student ability*

Assessment practices incorporating different levels of difficulty and diverse modes should be used to cater for students with different aptitudes and abilities. This helps to ensure that the more able students are challenged to develop their full potential and the less able ones are encouraged to sustain their interest and succeed in learning.

(c) *Tracking progress over time*

As internal assessment should not be a one-off exercise, schools are encouraged to use practices that can track learning progress over time (e.g. portfolios). Assessment practices of this kind allow students to set their own incremental targets and manage their own pace of learning, which will have a positive impact on their commitment to learning.

(d) *Timely and encouraging feedback*

Teachers should provide timely and encouraging feedback through a variety of means, such as constructive verbal comments during classroom activities and written remarks on assignments. Such feedback helps students to sustain their momentum in learning, and to identify their strengths and weaknesses.

(e) *Making reference to the school's context*

As learning is more meaningful when the content or process is linked to a setting which is familiar to students, schools are encouraged to design a few assessment tasks that make reference to the school's own context (e.g. its location, relationship with the community, and mission).

(f) *Making reference to current progress in student learning*

Internal assessment tasks should be designed with reference to students' current progress, as this helps to overcome obstacles that may have a cumulative negative impact on learning. Teachers should be mindful in particular of concepts and skills which form the basis for further development in learning.

(g) *Feedback from peers and from the students themselves*

In addition to giving feedback, teachers should also provide opportunities for peer assessment and self-assessment in student learning. The former enables students to learn among themselves, and the latter promotes reflective thinking which is vital for students' lifelong learning.

(h) *Appropriate use of assessment information to provide feedback*

Internal assessment provides a rich source of data for providing evidence-based feedback on learning in a formative manner.

5.4.2 Internal assessment practices

A range of assessment practices, such as open book test, oral presentations, case studies, and portfolios suited to BAFS should be used to promote the attainment of the various learning outcomes. However, teachers should note that these practices should be an integral part of learning and teaching, not "add-on" activities.

Essays

Students may be asked to write essays in which they discuss or elaborate on given statements, and these may be done as homework, or written under time restrictions in class or in an examination. This form of assessment calls for mastery of concepts and skills, and effective application of business knowledge to novel situations.

Open book tests

Open book tests, in which students are allowed access to the source materials, are particularly suitable for assessing stimulus-based skills, such as the interpretation of financial statements, or investigation and analysis of an industrial dispute. Questions for this type of test should aim to stimulate the use of reference materials and help students organise their ideas.

Group discussion

Using authentic or simulated business scenarios, students can be assigned roles in which they have to discuss the relevant management concerns (e.g. staffing and financial implications, internal and/or external environmental factors); and they can argue about relevant issues in the form of debates. In both cases, students are expected to demonstrate in-depth knowledge of the related areas as well as critical thinking and communication skills.

Case studies

Case studies allow students to adopt a more holistic management perspective in applying their knowledge to authentic business scenarios. The tasks can involve, for example: studying a firm's human resources or financial performance indicators; planning an advertising project; conducting a Strengths, Weaknesses, Opportunities and Threats (SWOT) analysis for an SME; and evaluating a retail store's sales performance and prospects.

Projects

A project is any piece of extended work from which the constraints of lesson time have been largely removed. Asking students to carry out project work provides them with an opportunity to study a topic of interest in depth, so as to demonstrate their problem-solving and decision-making skills. For example, in BAFS, they may study topics such as the formulation of a business plan for a new venture, or the analysis of the business implications of a local or overseas policy measure. The products need not be solely in the conventional written form, but might include a video, tape, compact disc (read-only memory) (CD-ROM) etc. Teachers may wish to draw the following steps to students' attention:

- Clarifying the areas of interest
- Establishing a framework for enquiry
- Finding out and selecting resource materials
- Organising data
- Presenting findings.

Oral presentations

Oral questioning need not be seen as a test suitable only for language subjects. It can be helpful for assessment in other subjects such as BAFS. For example, a student or group of students can present an analysis of a contemporary business issue to the rest of the class, followed by a question-and-answer session. Oral techniques can be advantageous as a method of assessment because they allow teachers to see how students discuss matters in depth, tease out the meaning of obscure statements and reach conclusions. Teachers are encouraged to try using oral assessment as it can be a valuable supplement to conventional assessment methods.

Fieldwork

Students come into contact with the actual business world through, for example, reflecting on visits to organisations, meetings with entrepreneurs and professionals, and taking part in job shadowing programmes and/or business ventures. Such fieldwork calls for keen observation and accurate recording by students who have to apply their business knowledge to what they see. It can also contribute significantly to establishing good relations between the school and the community. The results of fieldwork can be very rewarding for students, both in learning the subject-matter and enhancing their social development.

Portfolios

Portfolios are collections of student work during the course of study. Students may be asked to select their own favourite pieces of work from the year for assessment. Teachers may like to see drafts as well as final versions in the portfolios. Students should be encouraged to become aware of the progress they have made in terms of level of understanding and variety of work.

5.5 Public Assessment

5.5.1 Guiding principles

Some principles guiding public assessment are outlined below for teachers' reference.

(a) *Alignment with the curriculum*

The outcomes that are assessed and examined through the HKDSE should be aligned with the aims, objectives and intended learning outcomes of senior secondary curriculum. To enhance the validity of public assessment, the assessment procedures should address the range of valued learning outcomes, and not just those that are assessable through external written examinations.

The public assessment for BAFS ensures that its assessment objectives are aligned with the curriculum's emphasis on application and integration of broad-based knowledge to authentic or novel business scenarios. In addition, the SBA component extends the public assessment to include valued business and generic skills such as research and analysis skills for business decision-making.

(b) *Fairness, objectivity and reliability*

Students should be assessed in ways that are fair and are not biased against particular groups of students. A characteristic of fair assessment is that it is objective and under the control of an independent examining authority that is impartial and open to public scrutiny. Fairness also implies that assessments provide a reliable measure of each student's performance in a given subject so that, if they were to be repeated, very similar results would be obtained.

(c) *Inclusiveness*

The HKALE is designed for a relatively elite group of students, most of whom aspire to university study. However, the new assessments and examinations will accommodate the full spectrum of student aptitude and ability.

The public examination for BAFS is designed in such a way that students are given opportunities to demonstrate both foundation and specialist knowledge. At the same time, the SBA of BAFS offers room for a wide range of assessment activities to cater for the differing preferences among students and/or schools. Ultimately, the five levels of performance to be developed at a later stage for BAFS will ensure that the full spectrum of student ability can be covered.

(d) *Standards-referencing*

The new system will be ‘standards-referenced’, i.e. student performance will be matched against standards, which indicate what students have to know and be able to do to merit a certain level of performance. The level descriptors will provide a specific indication of the expected student performance in the subject.

(e) *Informativeness*

The new qualification and the associated assessment and examinations system should provide useful information to all parties. Firstly, it should provide feedback to students on their performance and to teachers and schools on the quality of the teaching provided. Secondly, it should communicate to parents, tertiary institutions, employers and the public at large what it is that students know and are able to do, in terms of how their performance matches the standards. Thirdly, it needs to facilitate selection decisions that are fair and defensible.

5.5.2 Assessment design

The assessment design is subject to continual refinement in the light of feedback. Full details will be provided in other supplementary documents, in particular the approved Regulations and Assessment Frameworks for the year of the examination.

Component		Weighting	Duration
Public Examination	Paper 1 Compulsory part	34%	1½ hours
	Paper 2 Elective part (choose one only) 2A Accounting module 2B Business management module	51%	2½ hours
School-based Assessment		15%	

Paper 1 will contain questions on the Compulsory Part. For Paper 2, candidates will attempt either Paper 2A or 2B, but they will be required integrate into their answers the knowledge and skills learned in the Compulsory Part to demonstrate in-depth knowledge of the module.

5.5.3 Public examinations

The overall aim of the public examination is to assess candidates’ ability to demonstrate their knowledge and understanding in different areas of business and to apply this to novel situations in the context of business decisions.

Different types of items will be used to assess students’ performance in a broad range of skills and abilities. The item types will include multiple-choice questions, short questions, accounting problems, business cases and essays. Multiple-choice questions permit a more comprehensive coverage of the syllabus, while short questions can be used to test basic

knowledge and essential concepts. Business cases and accounting problems focus on comprehension and knowledge application, and essay questions allow candidates to discuss open-ended issues in depth. Item types will be similar to those adopted in the HKCE and HKAL examinations. Specimen papers will be provided to schools by the HKEAA to illustrate the format of the examination and the standards at which the questions are pitched.

5.5.4 School-based Assessment (SBA)

In the context of public assessment, SBA refers to assessments administered in schools and marked by the students' own teachers. The primary rationale for SBA in BAFS is to enhance the validity of the assessment by including the assessment of students' business and generic skills such as research and analysis, and presentation and IT skills.

There are, however, some additional reasons for SBA in BAFS. For example, it reduces dependence on the results of public examinations, which may not always provide the most reliable indication of the actual abilities of candidates. Obtaining assessments based on student performance over an extended period of time and developed by those who know the students best – their subject teachers – provides a more *reliable* assessment of each student.

Another reason for including SBA is to promote a *positive “backwash effect” on students, teachers and school staff*. Within BAFS, SBA can serve to motivate students by requiring them to engage in meaningful activities; and for teachers, it can reinforce curriculum aims and good teaching practice, and provide structure and significance to an activity in which they are already involved on a daily basis, namely assessing their own students.

A brief outline of the assessment task and criteria, activities and implementation schedule for SBA are given below.

Assessment task

Students are required to analyse and present business issues related to an authentic or simulated business scenario, collecting and evaluating primary and/or secondary information and making reasoned recommendations on those issues. It is envisaged that students will have to work over an extended period of time on the task, in which the following stages will normally be involved:

- Deciding on a theme or title
- Devising a list of questions for research and analysis
- Designing appropriate information-collection method(s)
- Analysing major findings
- Writing up a report
- Presenting the report and receiving feedback from teacher and/or peers
- Reflecting on the strengths and weaknesses of the study

To encourage students to follow through a systematic work schedule and to help teachers authenticate students' work, students are also required to do the critical stages of work in class under direct teacher supervision.

Assessment criteria

The SBA tasks will be assessed with respect to the following three areas:

1. business knowledge and understanding
2. analytical skills for business decision-making
3. business presentation skills.

The SBA for BAFS focuses on students' application and integration of their knowledge in authentic or simulated business scenarios. Students are expected to analyse business issues in terms of various business/management functions and/or from the perspectives of different stakeholders. Such analyses typically cover a wide range of viewpoints and consider a number of viable options; but, at the same time, effective and practical application requires that a business presentation concludes with suggestions and/or recommendations that are concise, logical and realistic. In general, students will have to conduct reasonably thorough research and analysis to arrive at their recommendations and to communicate them in a convincing manner to the parties concerned.

If deemed appropriate, teachers may make use of the SBA tasks to require their students to demonstrate other valuable learning outcomes — such as positive values and work attitudes — even though these are not counted in the public assessment.

SBA activities

Teachers should plan suitable SBA activities through which students can perform SBA tasks and be assessed. Schools may organise various SBA activities ranging from news commentaries and company visits to work shadowing and actual business ventures. Such activities represent different levels of immersion in real-world workplace operations or market deals. Where school and student readiness permits, a higher level of experiential learning associated with a greater degree of authenticity and immersion is preferred, as this enables students to develop a more holistic and deeper understanding of essential business skills.

Some SBA activities may have to be done on a group or class basis, but the assessment task must be carried out as individual work for assessment purposes. For example, the report on a company visit should emphasise personal reflections on any business issues identified during the visit and keep generic descriptions of the activity to a minimum.

It should be noted that SBA is not an “add-on” element in the curriculum. The requirement to implement the SBA will take into consideration the wide range of student ability and efforts will be made to avoid unduly increasing the workload of both teachers and students. Detailed information on the requirements and implementation of the SBA and samples of assessment tasks will be provided to teachers by the HKEAA.

Implementation schedule

To accommodate variations between schools, and allow teachers more time to familiarise themselves with the curriculum for better planning of suitable SBA activities, SBA for this subject will be phased in as follows:

Year of Examination	Implementation of SBA
2012	Schools are not required to submit SBA marks. Public examination results constitute 100% of the final subject results.
2013	Schools are not required to submit SBA marks. Public examination results constitute 100% of the final subject results.
2014	All schools have to submit SBA marks for feedback from the HKEAA on the outcomes of moderation. Public examination results constitute 100% of the final subject results.
2015	All schools have to submit SBA marks for feedback from the HKEAA on the outcomes of moderation. Public examination results constitute 100% of the final subject results.
Starting from 2016, all schools have to submit SBA marks contributing 15% to the final subject results.	

The detailed requirements, regulations, assessment criteria and guidelines on SBA will be made known to schools in 2009 so that they can start practising SBA before it is formally implemented.

5.5.5 Standards and reporting of results

The HKDSE will make use of standards-referenced reporting. What this means is that candidates' levels of performance will be reported with reference to a set of standards as defined by cut scores on the variable or scale for a given subject. Standards referencing relates to the way in which results are reported and does not involve any changes in how teachers or examiners mark student work. The set of standards for a given subject can be represented diagrammatically as shown in Figure 5.1.

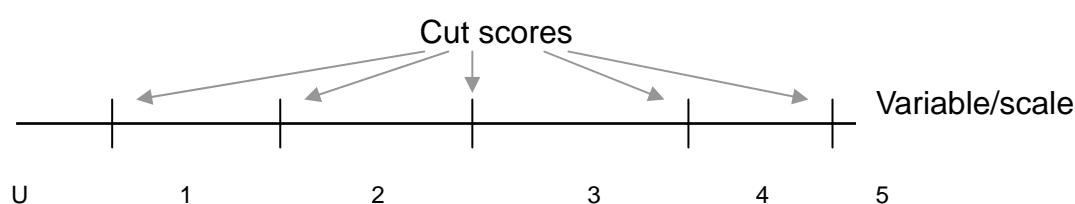


Figure 5.1 *Defining levels of performance via cut scores on the variable or scale for a given subject*

Within the context of the HKDSE there will be five cut scores, which will be used to distinguish five levels of performance (1–5), with 5 being the highest. A performance below the threshold cut score for Level 1 will be labelled as “Unclassified” (U).

For each of the five levels, a set of written descriptors will be developed that describe what the typical candidate performing at this level is able to do. The principle behind these descriptors is that they describe what typical candidates *can* do, not what they *cannot* do. In other words, they describe performance in positive rather than negative terms. These descriptors will necessarily represent “on-average” statements and may not apply precisely to

individuals, whose performance within a subject may be variable and span two or more levels. Samples of students' work at various levels of performance may be used to illustrate the standards expected of them. These samples, when used together with the level descriptors, will clarify the standards expected at the various levels.

In setting standards for the HKDSE, Levels 4 and 5 will be set with reference to the standards achieved by students awarded grades A–D in the HKALE. It needs to be stressed, however, that the intention is that the standards will remain constant over time – not the percentages awarded different levels, as these are free to vary in line with variations in overall student performance. Referencing Levels 4 and 5 to the standards associated with the old grades A–D is important for ensuring a degree of continuity with past practice, for facilitating tertiary selection and for maintaining international recognition.

The overall level awarded to each candidate will be made up of results in both the public examination and the SBA. The SBA results for BAFS will be statistically moderated to adjust for differences among schools in marking standards, while preserving the rank ordering of students as determined by the school.

To maintain current levels of discrimination for selection purposes, the Level 5 candidates with the best performance will have their results annotated with the symbols ** and the next top group with the symbol *. The Diploma itself will record the Level awarded to each candidate. There will also be a Statement of Results which will in addition provide level descriptors.

Chapter 6 Learning and Teaching Resources

This chapter discusses the importance of selecting and making effective use of learning and teaching resources, including textbooks, to enhance student learning. Schools need to select, adapt and, where appropriate, develop the relevant resources to support student learning.

6.1 Purpose and Function of Learning and Teaching Resources

The purpose of learning and teaching resources is to provide a basis for students' learning experiences. The resources include not only textbooks, workbooks, and audio-visual teaching aids produced by the Education and Manpower Bureau or other organisations but also web-based learning materials, IT software, the Internet, the media, libraries, resources in the natural environment, and people. All of these should be drawn upon to extend students' learning experiences and meet their different learning needs. If used effectively, they will help students to: consolidate what they have learned; extend and construct knowledge for themselves; and develop the learning strategies, generic skills, positive values and attitudes they need – and thus lay a solid foundation for lifelong learning.

6.2 Guiding Principles

Teachers should use textbooks flexibly in combination with other learning materials to provide up-to-date information to achieve the learning targets. The basic considerations for the selection and effective use of learning and teaching resources are as follows. They should

- be in line with the curriculum aims, learning targets and objectives, and contain core elements of the curriculum;
- be based on students' prior knowledge and experience;
- arouse students' interest and engage them actively in learning tasks;
- provide access to knowledge, as well as scaffolding, to help students progress in their learning;
- cater for students' individual differences by providing a variety of learning activities at different levels of difficulty;
- promote independent learning by complementing and extending what students have learned in class; and
- support learning and teaching strategies such as investigation, discussion, scaffolding, reflection and nurturing of generic skills.

6.3 Types of Resources

To ensure that the BAFS curriculum keeps pace with the ever-changing business environment and is aligned with new technologies, students and teachers are encouraged to make use of a wide range of up-to-date educational resources in combination with textbooks for effective learning. To assist schools in the implementation of the senior secondary curriculum, EMB

will continue to provide them with additional funding and to encourage flexibility in the use of resources to cater for their diverse needs. Schools are advised to refer to the relevant and latest circulars issued by EMB from time to time.

6.3.1 Textbooks

Textbooks can play an important role in helping students to develop effectively the core knowledge, skills, positive values and attitudes. The resources and activities in textbooks should also help to develop critical and creative thinking as well as other generic skills.

Schools should consider the needs, interests and prior knowledge of students in choosing textbooks. Some suggestions for the selection of textbooks for BAFS are noted below:

- The coverage should develop the necessary knowledge, skills, and positive values and attitudes promoted in the curriculum.
- The content should be appropriate in breadth and depth.
- The sequence and organisation should promote understanding of the inter-relationships of different business areas.
- They should provide real cases and deal with current issues to relate theory to practice.
- They should include learning activities (e.g. simulated games and role-plays) to develop students' diverse learning skills.
- The learning tasks should promote "assessment for learning".
- They should recommend sources for useful materials and references.

Some websites which can help in choosing textbooks and other learning and teaching resources are:

- ***Recommended textbook list***
(<http://www.emb.gov.hk/cd>)
- ***Notes on the selection of textbooks and other learning materials for use in schools***
(<http://www.emb.gov.hk/index.aspx?langno=1&nodeid=2842>)
- ***Selection criteria based on guiding principles for quality textbooks***
This is issued annually through a school circular.
(<http://www.emb.gov.hk/UtilityManager/circular/upload/embc/EMBC04004E.pdf>)

Finally, teachers need to be cautioned that textbook alone will not be able to meet the requirements of the BAFS curriculum in view of its multi-faceted nature and emphasis on both theoretical concepts and practical application.

6.3.2 Reference materials

In addition to textbooks, students should be encouraged to read a wide range of reference materials (e.g. business journals, magazines, newspapers, company reports and research reports) from various sources to broaden their understanding of the business world and keep abreast of the latest developments in the world economy. For this purpose, students need to be provided with an environment which is conducive to “Reading to Learn”. Through effective reading of such reference materials, students can learn how to handle information from sources with different perspectives, analyse current business issues systematically and independently, and develop solutions to business problems in novel situations.

6.3.3 Senior secondary curriculum guide, curriculum and assessment guide and key learning area websites

The Senior Secondary Curriculum Guide, BAFS Curriculum and Assessment Guide, and related Key Learning Area websites provide details and examples on curriculum design and implementation of the BAFS curriculum. For example, teachers can refer to the curriculum aims, learning targets, learning objectives, pedagogies, learning outcomes and the like when developing their teaching schemes, lesson plans, learning and teaching materials.

6.3.4 The Internet and other technologies

The massive increase in the quantity of information available today has led to new approaches to learning and teaching. Teachers can act as facilitators of learning by helping students to search for information and put it into an intellectual context that turns it into knowledge.

The use of technology can promote learning by:

- providing audio-visual aids for understanding difficult concepts;
- providing access to information from a wide range of sources and processing large quantities of information;
- allowing students to work at their own pace, including the use of specially designed software such as accounting software;
- enhancing interaction among the students, resources and teachers;
- promoting collaboration between students and teachers; and
- facilitating the acquisition of information and the development of critical thinking.

6.3.5 Community resources

A spirit of partnership is necessary among the many parties who can contribute in different ways to helping our students learn effectively. Some examples of the specific roles of various relevant parties are suggested below.

Community organisations and government departments

Schools are encouraged to make use of the wide range of resources available within the community. Various community organisations, government departments, educational institutions, statutory bodies and non-profit making organisations may wish to support business education through providing educational programmes and resources for young people. Collaboration with such bodies can enrich students' learning by providing opportunities for them to engage in authentic business scenarios which make the learning of BAFS more interesting and meaningful.

Parents, alumni and entrepreneurs

Schools can also form strategic partnerships with entrepreneurs, parents and alumni who have relevant experience in various areas. They can contribute their expertise in business to support student learning by, for example, giving talks or seminars, or being mentors. Students will benefit from sharing experiences with these professionals.

The following examples illustrate how teachers can choose from a range of learning activities supported by outside parties to meet their students' varied needs.

Examples of community learning activities

Students may:

- enter a competition on financial planning. Through participating in the workshops provided by the organisers, and with the help of the professional financial planners, students can enhance their understanding in the area and learn to apply the skills of personal financial management in preparing an investment plan.
- participate in a job attachment scheme which will give them a better understanding of how the knowledge learned and the generic skills developed in studying BAFS are related to the workplace.
- attend workshops and seminars organised by statutory bodies and accounting bodies. Real-life cases may cover topics such as securities investment and the importance of maintaining a good personal credit record.
- join the school-company partnership programmes organised by non-profit-making organisations. Through a series of workshops, company visits or projects, students may come to appreciate success factors in the business world and be encouraged to plan their career paths.
- participate in setting up and running their own businesses under the school-company programme, to develop creativity and entrepreneurship. The organisers may provide training sessions, business advisors and platforms for students to gain business experience.
- learn from parents, alumni and entrepreneurs through experience-sharing with them by various means such as talks, seminars and mentorship.

6.4 Flexible Use of Learning and Teaching Resources

A wide range of resources which reflect current and authentic business situations can be used. These include television and radio programmes, business journals, business conference papers, web resources and other community resources. With real business problems and issues brought into the classroom, students can develop a wider understanding of them and see more clearly the relevance of what they are learning. To assist schools in managing curriculum change, EMB has provided them with a one-stop curriculum resources directory service at www.emb.gov.hk/cr. The directory provides a central pool of ready-to-use learning and teaching resources and useful references developed by EMB and other parties.

Teachers can take the following points into account when deciding on the resources they will use:

- They should help students to achieve the learning targets.
- They should be authentic and related to daily life to arouse interest and cater for individual needs.
- Digital resources can enhance the learning and teaching process and promote the exchange of views as well as self-directed learning.
- Learning tasks should involve students in learning actively and help them to the construct knowledge.
- The materials should be appropriate for the linguistic and cognitive abilities of students and should promote the habit of reading.

The following example illustrates the use of a variety of learning and teaching resources for supporting student learning.

An example on financial analysis

Task: Designing an investment portfolio

Your parents are going to retire after 15 years and they ask you to help them in their financial planning for investment. After going through the financial planning process, a comprehensive plan has been developed to meet their specific needs and goals. To balance between the risks and returns, the investment portfolio has included stock besides the other relatively low risk financial products. Regarding the stock investment, you are required to perform the financial analysis of any five blue chip companies to justify your investment choice.

- **Textbooks and reference books:** Teachers can use textbooks and reference books to provide students with the basic knowledge about financial statement analysis.
- **Web resources:** As the annual reports and information about listed companies are available in their websites, students learn how to apply the knowledge they have acquired in authentic situations by evaluating the financial performance of the companies.
- **Newspapers, journal articles, television and radio programmes:** Students should be encouraged to get up-to-date information from newspapers, journal articles, television and radio programmes to evaluate the current investment environment. Teachers may advise students to select the relevant information for completing the task and also to develop their learning skills through reading.
- **Simulated games organised by financial institutions:** Students' motivation will be enhanced when they learn through simulated situations as they apply their knowledge of financial statement analysis, make decisions on stock trading, and receive immediate feedback on their investment choices.

6.5 Resource Management

Given the wide range of learning and teaching resources available to schools, BAFS panel chairpersons and teachers need to work together to set up an effective system to manage the resources and share them among the teachers and students. Some suggested ways of achieving this are outlined below.

School-based resource bank

Teachers and students are encouraged to share learning and teaching resources through the Intranet or other means within the school. Schools may build up a school-based resource bank for this purpose.

Network sharing and resource platforms

Teachers can also make use of electronic tools such as Hong Kong Education City (HKedCity) which provides a useful e-platform to exchange information, learning and teaching resources, ideas and practices with teachers in other schools and outside agencies. This is also a powerful base for self-learning which promotes a culture of collegial sharing and continuing professional development.

Teacher-librarians

Teacher-librarians, as information specialists, should work closely with business teachers to co-ordinate curriculum-related resources and help to develop students' information literacy.

Cross-curricular collaboration

For effective resource management, schools are encouraged to promote a culture of collaboration among teachers of the TE KLA and also other KLAs. They should cooperate to organise cross-curricular activities which can serve as Other Learning Experiences for more than one subject. Some examples of such activities are given below.

Examples of cross-curricular collaboration in FYK School

Different KLA co-ordinators/subject panel chairpersons meet regularly to explore common activities for supporting the learning and teaching of two or more subjects. The following are some of the activities proposed by the BAFS panel chairpersons, which may possibly complement or supplement the learning of other senior secondary subjects:

Activities	Related learning area in BAFS	Related senior secondary subjects
A guest lecture on e-commerce	– Marketing Management	– Information and Communication Technology
A debate on the motion: “Globalization has a positive impact on the business environment and business relationships.”	– Business Environment	– Liberal Studies – Economics
Visits to local small and medium enterprises in the tourism industry	– Introduction to Management	– Tourism and Hospitality Studies – Economics
An inter-school competition on a financial simulation game	– Basics of Personal Financial Management	– Economics
Job shadowing	– Introduction to Management	– Tourism and Hospitality Studies – Information and Communication Technology – Design and Applied Technology
A guest lecture by a professional accountant	– Introduction to Accounting – Financial Accounting – Cost Accounting	– Applied Learning courses

Examples of Learning Activities

Example A: Direct instruction complemented with questioning

Learning targets: The questioning technique is designed to encourage students to participate actively and move beyond memorisation to higher levels of learning that involve clarification, expansion, generalisation and inference.

Level: S5

Duration: 2 hours

Prior knowledge: Fundamental accounting principles and conventions in the Compulsory Part

Topic: “Generally accepted accounting principles” in the accounting module

Learning objective: Students should be able to apply the accounting principles and concepts in accounting situations to provide quality accounting information.

Lecturing with questioning techniques

Practical examples on the application of accounting concepts such as objectivity, money measurement, realisation and timeliness are given. Students are expected to ask thought-provoking questions for discussion in the class and generalise the definition of the concepts.

Although lecturing is sometimes criticised for being one-way communication (i.e. a teacher-centred approach), it can be modified and converted into a student-centred approach if a question-and-answer method is used to complement lectures.

Learning tasks

Questioning approach

Task 1:

- (a) Each pair of students is given three or four scenarios related to the application of the same concept (e.g. objectivity). Different accounting concepts are assigned to different groups for discussion.
- (b) Student A sets a question for student B to answer.
- (c) Student B challenges the rationale behind the question and student A has to comment on the answer.

Task 2:

- (d) Each group shares the questions raised and the answers suggested by them.
- (e) Each group provides a definition of the concept through the findings generated from their questions and answers.

Task 3:

Suggest more examples of the application of each concept.

The third learning task allows students to relate theory to practice so that deeper thinking and understanding of this topic is developed.

Knowledge

Students will grasp the essence of the application of accounting concepts in real cases through a questioning approach.

Generic skills

The task aims to stimulate students' critical thinking, creativity and communication skills in raising constructive questions and answers.

Knowledge

The second learning task aims to help students consolidate what they have learned in the previous activity. Teachers may use their findings to deepen the understanding of the concepts.

Generic skills

Higher-order thinking skills are required to generalise the definition of the concepts. This develops deductive reasoning skills.

Teaching as direct instruction – roles of teachers

- To provide a frame for students to generate meaningful questions
- To monitor the discussion closely and provide assistance when necessary
- To give feedback and guide students to think about the rationale behind the questions asked and what the implications are

Learning as a “product” – roles of students

- To engage actively in the discussion and report the results
- To focus on the questions and present a logical and in-depth analysis
- To challenge other students' ideas with evidence

Example B: Group activities

Learning targets: The group activities provide opportunities for students to share and compare views, ideas and knowledge with peers and motivate them to learn through the application of concepts in the school context.

Level: S5 or S6

Duration: In-class: two hours; outside class: five hours

Prior knowledge:

- Business Environment and Introduction to Management in the Compulsory Part
- Basic cost classification and concepts in the accounting module

Topic: Cost-volume-profit analysis

Grouping: Students form groups of five to complete the following tasks.

Learning objective: Students should be able to conduct cost-volume-profit analysis to assess the effects of changes in cost, selling price and units sold on the breakeven point and target profit.

Based on students' learning needs, teachers may refer to para. 4.4.3 on grouping strategies to assign appropriate members to the groups.

School carnival for charity fund-raising

The school is planning to organise a school carnival for charity fund-raising. The business club is responsible for producing a product such as T-shirts, candies, etc. within a budget of \$1,500 to be sold at the carnival. As members of the club, you have to contribute to the following activities.

Values and attitudes

This can be conducted as BAFS activities or community services. Besides developing knowledge and skills, it also aims to nurture students to be caring members of society and enhance their personal commitment to it.

Learning tasks

Income statement forecast

Task 1:

- (a) Conduct a small-scale market survey to help identify the product(s) to be sold at the carnival.
- (b) Based on the survey results, identify the cost of product(s) in terms of direct and indirect costs, fixed and variable costs, etc.
- (c) Decide on the expected selling price and target profit, and then prepare an income statement forecast, with reasons to support it.
- (d) Present your findings to the class.

Knowledge

This task enables students to integrate the knowledge developed in the Compulsory Part and the accounting module to make informed decisions. It enhances students' understanding of how to apply concepts and skills from inter-related areas of business in authentic contexts.

Generic skills

The group work develops students' ability to work in a team situation and assume a leadership role. It aims to enhance communication, team-building and interpersonal skills through teamwork.

Cost-volume-profit analysis

Task 2:

- (e) Your competitor, the home economics club, has decided to sell similar products at a lower price at the carnival. How will you revise your marketing strategies in response to the competition?
- (f) Conduct a cost-volume-profit analysis based on your new marketing strategies. If you have not changed your strategy (i.e. the target profit and costs are unchanged), what will be the effects of changes in the unit price and units sold?

Knowledge

The second learning task aims to demonstrate how a dynamic environment influences planning and decision-making. Also, it develops the ability to make use of accounting information for tackling business problems.

Generic skills

Problem-solving skills will be developed as students are expected to suggest solutions in response to market changes and examine their effects on business.

Teaching as enquiry – roles of teachers

- To provide a learning environment for students to relate knowledge to a real-life situation
- To encourage students to think from a wider perspective to generate business solutions
- To encourage students to develop team-building, communication and interpersonal skills
- To give feedback on the learning tasks

Learning as a ‘process’ – roles of students

- To participate actively in the activities and be open-minded in exchanging views with peers
- To synthesise the knowledge they have gained in the Compulsory and Elective Parts
- To assume a leadership role and get consensus on designing and revising the marketing strategies

Example C: Theme-based learning

Learning targets: Theme-based learning helps students to organise and integrate the learning elements of entrepreneurship, and business ethics and social responsibility, around a theme.

Level: S4

Duration: In-class: six hours; outside class: four hours

Prior knowledge: Forms of business ownership

Topics covered: The Hong Kong business environment, business ethics and social responsibility, entrepreneurship and the management of small and medium enterprises in the Compulsory Part

Learning objectives: Students should be able to understand the characteristics of entrepreneurship and its contribution to economic development, and develop their awareness of ethical business practices.

Theme:

Hong Kong thrives on entrepreneurship with social responsibility

To maintain Hong Kong as one of the most competitive international business centres in the 21st century, we need energetic, creative, socially responsible and risk-taking human beings. These kinds of entrepreneurial attributes are regarded as the economic driving force for a knowledge-based economy.

The demise of Enron triggered a global debate on entrepreneurs' ethical and socially responsible leadership. Malpractice in organisations affects the benefits and rights of different interested parties. In today's business world, we expect entrepreneurs to comply with legal requirements, uphold moral standards in leadership, and maintain an ethical organisational culture. These attributes are the basis of good corporate governance and proper ethical practices. Entrepreneurs and corporate executives need to make their business decisions with respect to not only profit but also social responsibility.

Learning tasks

Am I a potential entrepreneur?

Task 1: _____

- (a) Identify and classify different success factors for a small business by a site visit and observation.
- (b) Discuss and justify the critical success factors for setting up and running a small business.

Task 2: _____

- (a) Find different definitions of entrepreneurship and the characteristics of entrepreneurs from various sources.
- (b) Generalise the definition of entrepreneurship and compile a list of the key characteristics of an entrepreneur.
- (c) Compare entrepreneurs and managers with respect to their roles in business operations.

Task 3: _____

Complete an online self-assessment of your entrepreneurial potential and present the results in class.

Knowledge
The first two learning tasks aim at introducing the entrepreneurial spirit. Students are expected to generate an understanding of the key attributes and skills of entrepreneurs and their entrepreneurial spirit.

Generic skills
Analytical skills will be developed through analysing the critical success factors.

Knowledge
The third learning task aims to help students reflect on what they have learned in the previous activities. Teachers may use their findings to reinforce the understanding established in the previous two tasks.

Generic skills
In the process, students can develop their IT skills in organising and presenting the information. They will also understand their own strengths and areas for improvement which helps to develop their entrepreneurial attributes.

Do we need entrepreneurs in Hong Kong?

Task 1: _____

By reading economic reports and business journals, explain why entrepreneurial activities are so important to a country's economic growth.

Task 2: _____

Propose recommendations for the development of an entrepreneurial culture in Hong Kong for economic growth and sustainability.

Knowledge
The first task aims to help students visualise the importance of entrepreneurship in business development and economic growth.

Generic skills
Skills in IT applications, research and written communication will be developed through this learning process.

Generic skills
The second task expects students to make use of the information collected in Task 1 and make suggestions for improving economic growth in Hong Kong. The activity aims to develop students' creativity and critical thinking skills in tackling business problems.

What's wrong with our business world?

Task 1:

- (a) Identify some local and international unethical business practices.
- (b) Discuss the causes and negative impact of such practices.
- (c) Distinguish between illegal and unethical business practices, with examples.

Knowledge

Task 1 aims to trigger students' awareness of unethical business practices. Students will learn how to identify and differentiate illegal and unethical business practices.

Generic skills

Communication skills and creativity will be developed as students need to draw on and share different views on the causes and impact of malpractice with peers.

Values and attitudes

Through the learning process, students can recognise the negative impact of illegal and unethical practices on society, which can nurture positive values and attitudes towards business ethics and social responsibilities.

How to become a good corporate citizen

Task 1:

- (a) Explain the concept of business ethics.
- (b) Discuss the conflict of interest faced by businesses when making their decisions.
- (c) Identify any three local/international good practices concerning social responsibility.
- (d) Demonstrate how the entrepreneurs and corporate executives dealt with business dilemmas while still upholding ethical standards in (c) above.

Knowledge

This task aims to help students understand the importance of business ethics and relate it to corporate social responsibilities.

Generic skills

Students are expected to develop their higher-order thinking skills as they have to criticise business decisions made by entrepreneurs and corporate executives with respect to the benefits and interests of various types of stakeholders.

Values and attitudes

Students are expected to develop positive values and attitudes when dealing with business dilemmas and to become socially responsible members of society.

Extended learning activities

- Apart from classroom activities, teachers can arrange business talks by entrepreneurs and SME visits to enable students to understand authentic business situations in an interactive and interesting way. Teachers can further develop students' collaborative learning by encouraging them to participate in business projects and competitions.
- Schools may invite speakers from statutory bodies and professional organisations – such as HKICPA (Hong Kong Institute of Certified Public Accountants), SFC (Securities and Futures Commission), ICAC (Independent Commission Against Corruption) and the Consumer Council – to deliver talks or conduct forums on business ethics and corporate governance for students.

Teaching as enquiry – roles of teachers:

- To provide feedback and guide students to bring together various perspectives in making ethical decisions
- To stimulate students' critical thinking in discussing issues from different angles

Learning as a 'process' – roles of students:

- To participate actively in discussion and group work to share and compare views, ideas, and knowledge with peers
- To learn how to collect, analyse and acquire updated knowledge independently
- To generate ideas and opinions and generalise the concepts from their own findings

Example D: Project-based learning

Learning targets: The project aims to engage students in real-life experience and learn how to relate their learning to the real business world. It develops students' skills in integrating different areas of knowledge to solve problems.

Level: S5–6

Duration: In-class: two hours; outside class: 10–15 hours

Prior knowledge: Business Environment, Introduction to Management and Introduction to Accounting in the Compulsory Part

Learning objectives: Students should be able to develop knowledge and understanding of the intertwined relationships of business areas and the dynamic environment of business.

Grouping: Students can form groups of five to complete the project.

Based on students' learning needs, teachers may refer to section 4.4.3 on grouping strategies to assign appropriate members to the groups.

Requirements: Students are expected to:

- (a) integrate the knowledge developed in the Compulsory and Elective Parts to complete the following tasks;
- (b) conduct in-depth studies on the area of their chosen Elective module in Task 2.

- Accounting module: evaluation of the financial performance of the company
- Business management module: evaluation of the management excellence of the company

Project: Investment game
Suppose you have HK\$500,000 to invest in the Hong Kong stock market. You are required to invest in one of the following five blue chip companies – A, B, C, D and E – or decide not to make any investment if an unfavourable investment environment is anticipated. You are required to submit a proposal and justify your choice.

Learning tasks

Values and attitudes
In addition to acquiring knowledge on personal finance, this activity increases students' awareness of the relationship between risks and returns to develop prudent values and attitudes towards personal finance.

Analysis of the business environment

Task 1:

- (a) Study the related information on the five listed companies.
- (b) Select a listed company the business of which has potential to grow in the future.
- (c) Conduct a business environment analysis to justify your choice from different perspectives.

Knowledge
This learning task aims at developing students' understanding of how business and investment decisions are affected by the dynamic business environment.

Generic skills
This activity enhances students' critical thinking and problem-solving skills in evaluating business issues.

Evaluation of the financial performance of the company

Task 2:

- (a) Read the annual reports of the listed company you have chosen.
- (b) Read the relevant chapters such as “management discussion and analysis” and “financial highlights”, focusing on the discussion of the company’s financial performance.
- (c) Evaluate the performance of the company based on a financial analysis.

Knowledge

This learning task aims at developing students’ understanding of the importance of financial reporting and the interpretation of accounting ratios.

Generic skills

This activity develops students’ ability to apply critical thinking skills in evaluating financial performance.

Evaluation of the quality of management in the company

Task 3:

- (a) Evaluate the contribution of management to business from professional perspectives.
- (b) Search for information from newspapers, business journals, websites, etc. to investigate from various perspectives how the management of the company evaluated the business environment in order to identify opportunities for business development.
- (c) Describe the contribution of the management skills of the company to its organisational performance.

Knowledge

This learning task helps students to analyse how the management reacts to the dynamic business environment in formulating strategic plans.

Generic skills

This activity develops skills in collecting and processing relevant business information and critical thinking skills in analysing management performance.

Presentation of the proposal

Task 4:

- (a) Justify your investment choice from consolidating the analyses of the different areas studied. If an unfavourable investment environment is predicted and you decide not to make any investment, you should justify your decision.
- (b) Present your arguments and submit your proposal.

Knowledge

It aims to develop students’ holistic understanding of business and help them to consider various perspectives in making decisions.

Generic skills

This learning task helps students to develop higher-order thinking skills as they need to synthesise the findings to make reasoned decisions. Their communication and interpersonal skills are also strengthened through collaborating with group members. Students are expected to apply their IT skills to process and present the information.

Evaluation of the investment choice

Task 5:

- (a) Compare the share price after six months with the price on the date you made your investment.
- (b) Analyse the investment results and compare them with your expectations.

Values and attitudes

It aims to develop students’ positive values and attitudes towards investment. Students have to make informed decisions and be aware of the investment risks.

Reflective journal

Task 6:

Write about your thoughts on the project with the help of the following questions.

- (a) What have you learned from the activity?
- (b) Give examples of your contributions to the activity.
- (c) What obstacles have you faced?
- (d) What strategies did you use in learning?
- (e) Give examples of areas in which you could improve.

Values and attitudes

This learning task helps students to develop an awareness of and an interest in constructing knowledge on their own. It enables them to become reflective and self-managed learners.

Teaching as “co-construction” – roles of teachers:

- To stimulate students’ thinking and guide them to collect and analyse relevant information through scaffolding approach
- To encourage students to ask questions instead of giving direct answers
- To encourage active participation
- To give feedback and suggest areas for improvement
- To encourage students to reflect freely with less structured guidelines

Learning as “co-construction” – roles of students:

- To play an active role in the learning process by raising questions
- To be aware of what and how to learn
- To commit in the learning process and have control over their own learning
- To interact with the teachers and the group members
- To review and evaluate their learning performance to plan future learning

Example E: Embedding the decision-making process in a case study

Learning targets: This example illustrates how to guide students going through the decision-making process to conduct a preliminary investigation of a business case.

Level: S4

Duration: 2 hours

Prior knowledge: Business Environment and Introduction to Management in the Compulsory Part

Learning objectives: Students should be able to:

- (a) understand internal and external factors affecting business decisions; and
- (b) develop decision-making skills in analysing a business problem.

Learning task	
<p>Students are given a real business case by the teacher. They are formed into groups and are required to go through the decision-making process (details are given in section 4.3) to examine the issue.</p>	
<p>Step I: Define the business problem</p> <p>In the following steps, teachers may provide guided questions to lead students to analyse the case and make reasoned decisions.</p>	<p>The problem is to decide whether an international babies' clothing company should set up its first boutique in Hong Kong or in Shanghai.</p>
<p>Step II: List the critical factors to be considered</p> <p>Questions such as:</p> <ul style="list-style-type: none">• What are the economic factors the company should consider?• What are the social factors the company should consider?• What are the characteristics of consumer behaviours?• Is the cost of transportation of the stock reasonable?• Do we face competition in the market?• What are the legal requirements for setting up a boutique in these two places, and how do they affect the management structure of an international company?	<p>Knowledge This step enables students to recall and apply the knowledge developed in the Hong Kong Business Environment and the Introduction to Management.</p> <p>Generic skills Students' critical thinking and problem-solving skills can be stimulated.</p>

Step III: Identify and analyse the information needed to solve the problem

(Students may use the information provided in the case and also their understanding of the business environment in Hong Kong and Shanghai to analyse the issue.)

Questions such as:

- What information do we need in order to identify the critical factors?
- How should we analyse the information revealed in the case?

Step IV: Generate possible alternatives

Question such as:

- Having listed the factors to be considered, what are the priorities?

Step V–VI: Evaluate each alternative and make a reasoned decision

Questions such as:

- What are the pros and cons, risks involved and the expected outcomes in each of the alternatives?
- Why have you made this decision?

Step VII: Evaluate the effectiveness of the decision

Generic skills

These steps help students to develop higher-order thinking skills as they need to analyse the findings, generate and evaluate the possible alternatives, and make reasoned decisions.

Students cannot evaluate the effectiveness of the decision as they are not actually involved in the implementation process. Teachers should provide students with the final management reports on this problem, and then students can compare their own decisions with professional management views. In this process, students can reflect on how and why decisions were made in order to enhance their decision-making skills.

Teaching as enquiry – roles of teachers

- To guide students and ensure the discussion is aligned with the learning objectives
- To provide assistance such as giving cues, organising the information presented by the students and leading students forward to the next steps
- To provide feedback and stimulate students' critical thinking in discussing issues from different angles

Learning as a 'process' – roles of students

- To participate actively in discussion and group work to share and compare views, ideas and knowledge with peers
- To learn how to justify their viewpoints with evidence, and critically analyse the problem from different viewpoints before making a reasoned decision.

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Glossary

<u>Term</u>	<u>Description</u>
Applied Learning (ApL, formerly known as Career-oriented Studies)	Applied Learning (ApL, formerly known as Career-oriented Studies) is an essential component of the senior secondary curriculum. ApL uses broad professional and vocational fields as the learning platform, developing students' foundation skills, thinking skills, people skills, values and attitudes and career-related competencies, to prepare them for further studies and / or for work as well as lifelong learning. ApL courses complement 24 senior secondary subjects, diversifying the senior secondary curriculum.
Assessment objectives	The outcomes of the curriculum to be assessed in the public assessments.
Co-construction	Different from the direct instruction and construction approaches to learning and teaching, the co-construction approach emphasises the class as a community of learners who contribute collectively to the creation of knowledge and the building of criteria for judging such knowledge.
Core subjects	Subjects recommended to all students to take at senior secondary level: Chinese Language, English Language, Mathematics and Liberal Studies
Curriculum and Assessment (C&A) Guide	A guide prepared by the CDC-HKEAA Committee. It embraces curriculum aims/ objectives/ contents and learning outcomes, and assessment guidelines.
Curriculum Interface	Curriculum interface refers to the interface between the different key stages/educational stages of the school curriculum (including individual subjects), e.g. the interface between Kindergarten and Primary; Primary and Secondary; and Junior Secondary and Senior Secondary. The Hong Kong school curriculum, made up of eight key learning areas (under which specific subjects are categorised), provides a coherent learning framework to enhance students' capabilities for whole-person development through engaging them in the five essential learning experiences and helping them develop the nine generic skills as well as positive values and attitudes. Thus when students move on to senior secondary education, they will already have developed the basic knowledge and skills that the study of various subjects requires. When designing the learning and teaching content and strategies, teachers should build on the knowledge and learning experiences students have gained in the previous key stages.

<u>Term</u>	<u>Description</u>
Elective subjects	A total of 20 subjects in the proposed new system from which students may choose according to their interests, abilities and aptitudes.
Generic skills	Generic skills are skills, abilities and attributes which are fundamental in helping students to acquire, construct and apply knowledge. They are developed through the learning and teaching that take place in the different subjects or key learning areas, and are transferable to different learning situations. Nine types of generic skills are identified in the Hong Kong school curriculum, i.e. collaboration skills, communication skills, creativity, critical thinking skills, information technology skills, numeracy skills, problem solving skills, self-management skills and study skills.
Hong Kong Diploma of Secondary Education (HKDSE)	The qualification to be awarded to students after completing the three-year senior secondary curriculum and taking the public assessment.
Internal assessment	This refers to the assessment activities that are conducted regularly in school to assess students' performance in learning. Internal assessment is an inseparable part of the learning and teaching process, and it aims to make learning more effective. With the information that internal assessment provides, teachers will be able to understand students' progress in learning, provide them with appropriate feedback and make any adjustments to the learning objectives and teaching strategies they deem necessary.
Key Learning Areas (KLA)	Organisation of the school curriculum structured around fundamental concepts of major knowledge domains. It aims at providing a broad, balanced and coherent curriculum for all students in the essential learning experiences. The Hong Kong curriculum has eight KLAs, namely, Chinese Language Education, English Language Education, Mathematics Education, Personal, Social and Humanities Education, Science Education, Technology Education, Arts Education and Physical Education.
Knowledge construction	This refers to the process of learning in which learners are involved not only in acquiring new knowledge, but also in actively relating it to their prior knowledge and experience so as to create and form their own knowledge.
Learning community	A learning community refers to a group of people who have shared values and goals, and who work closely together to generate knowledge and create new ways of learning through active participation, collaboration and reflection. Such a learning community may involve not only students and teachers, but also parents and other parties in the community.

<u>Term</u>	<u>Description</u>
Learning differences	This refers to the gaps in learning that exist in the learning process. Catering for learning differences does not mean rigidly reducing the distance between the learners in terms of progress and development but making full use of their different talents as invaluable resources to facilitate learning and teaching. To cater to learners' varied needs and abilities, it is important that flexibility be built into the learning and teaching process to help them recognise their unique talents and to provide ample opportunities to encourage them to fulfil their potential and strive for achievement.
Learning outcomes	Learning outcomes refer to what learners should be able to do by the end of a particular key stage of learning. Learning outcomes are developed based on the learning targets and objectives of the curriculum for the purpose of evaluating learning effectiveness. Learning outcomes also describe the levels of performance that learners should attain after completing a particular key stage of learning and serve as a tool for promoting learning and teaching.
Learning targets and learning objectives	<ul style="list-style-type: none"> • Learning targets set out broadly the knowledge/concepts, skills, values and attitudes that students need to learn and develop. • Learning objectives define specifically what students should know, value and be able to do in each strand of the subject in accordance with the broad subject targets at each key stage of schooling. They are to be used by teachers as a source list for curriculum, lesson and activity planning.
Level descriptors	A set of written descriptions that describes what the typical candidates performing a certain level is able to do in public assessments.
Other learning experiences	For whole person development of students, 'Other Learning Experiences' (OLE) is one of the three components that complement the examination subjects and Applied Learning (formerly named as Career-oriented Studies) under the senior secondary curriculum. It includes Moral and Civic Education, Aesthetics Development, Physical Development, Community Service and Career-related Experiences.
Public assessment	The associated assessment and examination system for the Hong Kong Diploma of Secondary Education.

<u>Term</u>	<u>Description</u>
SBA moderation mechanism	The mechanism adopted by HKEAA to adjust SBA marks submitted by schools to iron out possible difference across schools in marking standards and without affecting the rank order determined by the school.
School-based Assessment (SBA)	Assessments administered in schools as part of the teaching and learning process, with students being assessed by their subject teachers. Marks awarded will count towards students' public assessment results.
School-based curriculum	Schools and teachers are encouraged to adapt the central curriculum to develop their school-based curriculum to help their students achieve the subject targets and overall aims of education. Measures may include readjusting the learning targets, varying the organisation of contents, adding optional studies and adapting learning, teaching and assessment strategies. A school-based curriculum, hence, is the outcome of a balance between official recommendations and the autonomy of the schools and teachers.
Standards-referenced Reporting	Candidates' performance in public assessment is reported in terms of levels of performance matched against a set of standards.
Student learning profile	It is to provide supplementary information on the secondary school leavers' participation and specialties during senior secondary years, in addition to their academic performance as reported in the Hong Kong Diploma of Secondary Education, including the assessment results for Applied Learning courses, thus giving a fuller picture of the student's whole person development.
Values & attitudes	Values constitute the foundation of the attitudes and beliefs that influence one's behaviour and way of life. They help form principles underlying human conduct and critical judgment, and are qualities that learners should develop. Some examples of values are rights and responsibilities, commitment, honesty and national identity. Closely associated with values are attitudes. The latter supports motivation and cognitive functioning, and affects one's way of reacting to events or situations. Since both values and attitudes significantly affect the way a student learns, they form an important part of the school curriculum.

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Membership of the CDC-HKEAA Committee on Business, Accounting and Financial Studies (Senior Secondary)

(From December 2003)

Chairperson:	Professor WONG Shek-nam, Danny	
Members:	Professor K C CHAN Professor CHAN Koon-hung Dr CHAU So-ling Mrs LAI HO Wan-ying, Ivy Mr LAI Kam-tong Mr LAU Kwok-leung Mrs LEUNG IP Yau, Elena Dr LI Kam-cheong Mr LIN Chun-pong Dr NG Mee-wah, Eugenia Ms SUEN Lee-wa Mr TAI Ming-kee Dr TAM Chin-wan, Anthony Mr TANG Chun-keung, Teddy Mr WAN Shiu-kee	(from June 2004) (from June 2004)
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Supplementary Notes 13/14 for Trimmed BAFS Curriculum

(To be implemented in S4 in 2013/14; effective for 2016 HKDSE and onwards)

Appendices:

1. Formulae of Ratios
2. Accounting Terminology

Compulsory Part

1(a) Business Environment

Learning Elements Specified in C&A Guide		Supplementary Teaching Notes
Topics	Explanatory Notes	
Hong Kong Business Environment	(i) Describe the role and importance of business in the Hong Kong economy.	
	(ii) Analyse the recent development and characteristics of the Hong Kong economy.	<p>- Recent developments of Hong Kong economy:</p> <ol style="list-style-type: none"> 1. <i>Closer economic and business relationships with the Mainland (e.g. CEPA, trading partners, sources of capital)</i> 2. <i>Impacts of globalization on Hong Kong business (e.g. keen competition, international flow of capital and information, global sourcing and outsourcing, technology transfer)</i> 3. <i>Increasing international trade cooperation (major international trade organisations include WTO and APEC)</i>

Learning Elements Specified in C&A Guide		Supplementary Teaching Notes
Topics	Explanatory Notes	
		- Characteristics of Hong Kong economy: <i>lack of primary industries, dependence on external trade, concentration on tertiary industry, free trade, simple taxation</i>
	(iii) Evaluate how economic, technological, cultural, physical, social, political and legal factors affect business decisions.	
Forms of Business Ownership	(i) Distinguish between the major forms of business ownership: sole proprietorship, partnership, limited company, joint-venture, franchise and public enterprise.	- Characteristics of <i>general, limited and nominal partners</i> are required - Set up procedures of different forms of business ownership and related documents are not required
	(ii) Evaluate the pros and cons of the different forms of business ownership.	
	(iii) Describe the characteristics of multinational corporations in Hong Kong.	
Business Ethics and Social Responsibilities	(i) Explain why and how a business should be ethically responsible to various stakeholders.	
	(ii) Describe how business ethics and social responsibilities affect business decisions.	

1(b) Introduction to Management

Learning Elements Specified in C&A Guide		Supplementary Teaching Notes
Topics	Explanatory Notes	
Management Functions	(i) Explain the importance of management.	
	(ii) Demonstrate a basic understanding of the following management functions for organisations: planning, organising, leading and controlling.	<ul style="list-style-type: none"> - Planning: <i>importance, planning process and characteristics of SMART goals</i> - Organising: <i>organisational structure – by level and by authority; departmentalisation – by function, by product, and by location</i> - Leading: <i>leadership styles</i> - Controlling: <i>control process</i>
	(iii) Apply the following principles of effective management: division of work, unity of command, unity of direction, authority and responsibility, and management by objectives.	- Detailed process of MBO is not required
Key Business Functions	(i) Describe the role and importance of the following key business functions: human resources management, financial management, operations management, marketing management, information management and risk management.	
	(ii) Explain the interrelationship and integrated nature of different business functions in solving business problems.	
Small and Medium Enterprises (SMEs)	(i) Describe the characteristics of SMEs.	
	(ii) Explain the importance of SMEs to the local economy.	
	(iii) Explain the importance of entrepreneurship in business development.	

1(c) Introduction to Accounting

Learning Elements Specified in C&A Guide		Supplementary Teaching Notes
Topics	Explanatory Notes	
Purposes and Role of Accounting	(i) Explain the importance of accounting and its relevance to decision-making.	
	(ii) Describe the functions of accounting.	- Functions: <i>recording, classifying, summarising and communicating</i>
	(iii) Describe the flow of the accounting cycle.	- Flow of an accounting cycle: <i>books of original entry, ledgers, trial balance, period-end adjustments, financial statements</i>
The Accounting Cycle • Double entry system	(i) Explain the accounting equation and demonstrate how transactions affect it.	- Accounting equation: $C = A - L - (R - E)$
	(ii) Apply the principles of double entry to the recording of business transactions in ledger.	
• Trial balance	(iii) Explain the functions and limitations of a trial balance.	
	(iv) Balance off the accounts and prepare a trial balance.	
• Financial statements	(v) Prepare income statement and statement of financial position (balance sheet) for sole proprietorships.	- Both horizontal and vertical form of financial statements are accepted - Calculations and entries for period-end adjustments are not required

Learning Elements Specified in C&A Guide		Supplementary Teaching Notes
Topics	Explanatory Notes	
Uses of Financial Statements	(i) Explain how information in financial statements can assist decision-making.	- Identify the users of financial statements and state their information needs
	(ii) Explain the uses and limitations of financial statements.	
Accounting Assumptions, Principles and Conventions	(i) Explain the meaning of the following: business entity, going concern, historical cost, consistency and accrual.	- Application to case scenario is required
Basic Ratio Analysis	(i) State the general functions of accounting ratios.	
	(ii) Calculate and interpret the following ratios: working capital/current ratio, quick/liquid/acid test ratio, gross profit ratio, net profit ratio and return on capital employed.	- Refer to <u>Appendix 1</u> for the relevant formulae of ratios
	(iii) Evaluate the liquidity and profitability of a business using accounting ratios.	- Proposal for remedial actions is not required

1(d) Basics of Personal Financial Management

Learning Elements Specified in C&A Guide		Supplementary Teaching Notes
Topics	Explanatory Notes	
Time value of Money	(i) Explain the concepts of compounding, discounting, present value and future value.	
	(ii) Apply the concepts of present value and future value to compute net present value.	<ul style="list-style-type: none"> - Only simple calculation (with not more than 3 compounding periods) is required - Students are not required to look up the annuity or discount factor table
	(iii) Distinguish between nominal and effective rate of return.	
Consumer Credit	(i) Compare different types of consumer credit.	<ul style="list-style-type: none"> - Common types of consumer credit: <i>bank overdraft, credit card and personal loans</i>
	(ii) Explain the importance of maintaining a good personal credit record.	
Personal Financial Planning and Investments	(i) Identify the basic characteristics and the relationship between risk and return for the following investments: saving/term deposits, bonds/debentures and stocks.	<ul style="list-style-type: none"> - Students are expected to be able to explain: <ol style="list-style-type: none"> 1. <i>investors should expect higher risks of investments for higher return; and</i> 2. <i>higher risks of investments do not necessarily bring higher returns</i> - Numerical concepts and application are not required
	(ii) Explain the importance of personal financial planning at different life stages.	
	(iii) Describe the rights and responsibilities of employees and self-employed persons under Mandatory Provident Fund (MPF) scheme.	

Learning Elements Specified in C&A Guide		Supplementary Teaching Notes
Topics	Explanatory Notes	
	(iv) Describe the rights and responsibilities of individual investors and consumers of financial services.	<ul style="list-style-type: none"> - Rights and responsibilities: <ol style="list-style-type: none"> 1. <i>right to ask for rationale behind an investment recommendation made by a broker or bank</i> 2. <i>right to file a complaint</i> 3. <i>duty to understand the terms of a contract before signing it</i> 4. <i>duty to monitor activities on own account by checking account statements, transaction documents</i>
Stock Trading as an Investment	(i) Explain the factors affecting share prices.	- Major factors include: <i>general economic condition, political factors, interest rate, industry prospects, company performance, dividend policy and speculation</i>
	(ii) Describe the platforms of stock trading in Hong Kong: Main Board and Growth Enterprise Market (GEM).	<ul style="list-style-type: none"> - Knowledge about the basic listing requirements for new applicants is required: <ol style="list-style-type: none"> 1. <i>operating history and management</i> 2. <i>financial requirements: profit attributable to shareholders, market capitalisation, revenue and cash flow (exact figures of the above are not required)</i> <p><i>[Website for reference: Hong Kong Exchanges and Clearing Limited (HKEx) http://www.hkex.com.hk/eng/listing/listreq_pro/listreq/equities.htm]</i></p>
	(iii) Describe the importance of Hang Seng Index (HSI).	

Elective Part -- Accounting Module

2(a) Financial Accounting

Learning Elements Specified in C&A Guide		Supplementary Teaching Notes
Topics	Explanatory Notes	
Books of Original Entry and Types of Ledgers	(i) Explain the functions of books of original entry and ledgers.	- Petty cash book is not required
	(ii) Record transactions in books of original entry and post to ledger accounts.	
	(iii) Identify the major classifications in ledgers.	
Period-end Adjustments Relating to the Preparation of Financial Statements	(i) Differentiate between cash accounting and accrual accounting.	
	(ii) Distinguish between bad debts and allowance for doubtful accounts.	- Allowance for discounts allowed on trade receivables is not required - Students are expected to be able to interpret an ageing schedule
	(iii) State the meaning and objectives of providing depreciation in accounting.	
	(iv) Distinguish between capital and revenue expenditures.	
	(v) Compare the commonly used methods of depreciation: straight-line, reducing-balance and depreciation based on usage; and explain the effect of depreciation charge (including disposal) on profits.	- Students are expected to be able to record <i>disposals of non-current assets including trade-in</i> - Calculation and reversal of impairment loss are not required

Learning Elements Specified in C&A Guide		Supplementary Teaching Notes
Topics	Explanatory Notes	
	(vi) Apply the following to determine the value of inventory: <ol style="list-style-type: none"> 1. lower of cost and net realisable value 2. sale or return 3. weighted average cost 	<ul style="list-style-type: none"> - Distinction between the accounting treatment for normal and abnormal inventory loss is required - Perpetual inventory system is not required
	(vii) Prepare adjusting entries at the close of accounting period and show their effect on income statement and statement of financial position (balance sheet).	
Financial Reporting for Different Forms of Business Ownership <ul style="list-style-type: none"> • Financial statements 	(i) Prepare income statement and statement of financial position (balance sheet) for sole proprietorship, partnership and limited company.	<ul style="list-style-type: none"> - Published accounts are not required - Students are expected to be able to record income tax in the financial statements of limited companies but over or under-provision brought forward and tax payable outstanding at period end will not be included
<ul style="list-style-type: none"> • Accounting for partnership 	(ii) Prepare appropriation account and current accounts for partnership.	
	(iii) Define goodwill and explain the factors affecting its valuation.	<ul style="list-style-type: none"> - Valuation of goodwill is not required
	(iv) Prepare the necessary adjustments to partner(s)' capital and/or net assets arising from changes in profit-sharing ratio, admission and retirement of partner(s) at the beginning or end of a financial period.	

Learning Elements Specified in C&A Guide		Supplementary Teaching Notes
Topics	Explanatory Notes	
	(v) Prepare the necessary accounting entries required in dissolution.	<ul style="list-style-type: none"> - Students are expected to be able to record capital deficiency of insolvent partner(s) as instructed - Piecemeal realisation and the Garner v Murray rule are not required - Conversion or sale of a partnership to a limited company is not required
<ul style="list-style-type: none"> • Accounting for limited company 	(vi) Explain the nature of share capital (preference shares and ordinary shares), loan capital (debentures), reserve and provision.	<ul style="list-style-type: none"> - Revaluation of non-current assets is not required
	(vii) Prepare journal and ledger entries relating to the issue of ordinary shares and debentures fully paid on application.	<ul style="list-style-type: none"> - Only requires knowledge of issue of shares at par or at a premium, and issue of debentures at par - Oversubscription and the related refunds are required - Rights and bonus (capitalisation) issues of shares are not required
	(viii) Prepare appropriation account and calculate the balance of retained profits for limited company.	
Control System <ul style="list-style-type: none"> • Bank reconciliation statement 	(i) Explain the functions of a bank reconciliation statement.	
	(ii) Identify reasons for discrepancies between cash book and bank statement balances and prepare a bank reconciliation statement.	
<ul style="list-style-type: none"> • Correction of errors 	(iii) Identify the types of accounting errors and their effects on accounting records.	
	(iv) Prepare correcting entries and, where appropriate, a suspense account.	

Learning Elements Specified in C&A Guide		Supplementary Teaching Notes
Topics	Explanatory Notes	
Generally Accepted Accounting Principles	(i) Explain the meaning, importance and shortcomings of the following principles and conventions: business entity, going concern, historical cost, consistency, accrual, matching, realisation, prudence, materiality, objectivity, timeliness and money measurement.	
	(ii) Apply the relevant accounting principles and conventions in accounting situations.	
Financial Analysis	(i) Calculate ratios and comment on a company's profitability, liquidity, solvency, management efficiency and return on investment: mark-up, inventory turnover, average trade receivables collection period, average trade payables repayment period, trade receivables turnover, trade payables turnover, earnings per share, total assets turnover, gearing ratio, dividend cover and price-earnings ratio.	<ul style="list-style-type: none"> - Refer to <u>Appendix 1</u> for the relevant formulae of ratios a - Paper 2A requires the in-depth application of the ratios in the Compulsory Part, i.e. <i>working capital/current ratio, quick/liquid/acid test ratio, gross profit ratio, net profit ratio and return on capital employed</i>
	(ii) Explain the functions and limitations of accounting ratios in financial analysis.	
Incomplete Records	(i) Determine profits or losses from statement of affairs.	
	(ii) Calculate the cash and inventory value from incomplete record.	
	(iii) Prepare income statement and statement of financial position (balance sheet) from incomplete records.	

2(b) Cost Accounting

Learning Elements Specified in C&A Guide		Supplementary Teaching Notes
Topics	Explanatory Notes	
Cost Classification, Concepts and Terminology	(i) Explain the general nature of cost accounting and its importance for financial decision-making.	
	(ii) Distinguish between direct and indirect costs, fixed and variable costs, and factory and administrative overheads.	
Marginal and Absorption Costing	(i) Prepare income statement under marginal and absorption costing.	<ul style="list-style-type: none"> - Students are only expected to apply weighted average cost for the costing of inventory - Over and under-absorption of overheads is to be charged to cost of goods sold
	(ii) Compare the advantages and disadvantages of adopting marginal and absorption costing.	
Cost Accounting for Decision-making	(i) Identify the nature of various cost items and their relevance to decision-making: sunk costs, incremental costs and opportunity costs.	
	(ii) Apply costing concepts and techniques in business decisions e.g. 'hire, make or buy', 'accept or reject an order at a special price', 'retain or replace equipment', 'sell or process further', and 'eliminate or retain an unprofitable segment'.	<ul style="list-style-type: none"> - Joint product costing is not required
	(iii) Conduct cost-volume-profit analysis to assess the effects of changes in costs, selling price and units sold on the breakeven point and target profit.	<ul style="list-style-type: none"> - Calculation of margin of safety is required - CVP analysis for multiple products is required - The involvement of limiting factors is required - Graphical presentation is not required

Elective Part -- Business Management Module

3(a) Financial Management

Learning Elements Specified in C&A Guide		Supplementary Teaching Notes
Topics	Explanatory Notes	
Financial Analysis	(i) Explain the role of financial management in running an organisation.	
	(ii) Assess business performance from a range of accounting ratios in terms of profitability, liquidity, solvency and management efficiency.	<ul style="list-style-type: none"> - Students are expected to be able to discuss the limitations of financial analysis - The ratios required are: <i>gross profit ratio, net profit ratio, working capital/current ratio, quick/liquid/acid test ratio and return on capital employed, trade receivables turnover, inventory turnover, trade payables turnover, total assets turnover and gearing ratio</i> - Refer to Appendix 1 for the relevant formulae of ratios
Budgeting	(i) Explain the purposes of budgeting.	
	(ii) Describe the usefulness and limitations of budgetary control.	
	(iii) Identify the causes of budgeting variance and propose remedial action.	- Calculation of variances is not required
Sources of Financing	(i) Compare different sources of financing: debt and equity financing, short-term and long-term financing, and internal and external financing.	- Details of the features of financing instruments are not required
	(ii) Apply the basic principles for selecting financing methods.	

Learning Elements Specified in C&A Guide		Supplementary Teaching Notes
Topics	Explanatory Notes	
Capital Investment Appraisal	(i) Evaluate financial and non-financial factors affecting capital investment decisions.	
	(ii) Apply the basic capital investment appraisal methods to evaluate capital projects: payback period, net present value, internal rate of return and accounting rate of return.	- Calculation of IRR and ARR is not required
	(iii) Compare the usefulness and limitations of different capital investment appraisal methods.	
Working Capital Management	(i) Explain the importance of working capital management.	- Students are expected to be able to describe the operating cycle and cash conversion cycle
	(ii) Describe the basic principles of cash management and the relevance of cash budgeting.	- Preparation of cash budget is not required
	(iii) Analyse the factors affecting the formulation of accounts receivable and accounts payable policies.	- Students are expected to be able to describe the elements of a credit policy, including credit terms, credit standard (<i>5Cs: capital, capacity, collateral, condition and character</i>) and collection policy
	(iv) Explain the objectives of inventory management and apply simple inventory control techniques: Economic Order Quantity (EOQ) and re-order level methods.	- Calculation of EOQ is required

Learning Elements Specified in C&A Guide		Supplementary Teaching Notes
Topics	Explanatory Notes	
Risk Management	(i) Identify different types of risk faced by business firms and analyse their impact on business activities.	- Types of risks: <i>insurable vs non-insurable; pure vs speculative</i>
	(ii) Demonstrate an understanding of various types of insurance protection available to business.	- Types of insurance: <i>comprehensive insurance, motor insurance, fidelity insurance, liability insurance, public liability insurance, employees' compensation insurance</i>
	(iii) Explain the following risk management strategies: risk avoidance, risk assumption, risk reduction and risk transfer.	- Students are expected to be able to apply appropriate risk management strategies to given scenarios

3(b) Human Resources Management

Learning Elements Specified in C&A Guide		Supplementary Teaching Notes
Topics	Explanatory Notes	
Functions of Human Resources Management • Manpower planning • Staffing	(i) Explain the importance of manpower planning for an organisation.	
	(ii) Describe the manpower planning process.	- Approaches and process of job analysis are not required
	(iii) Describe the staffing process.	
	(iv) Compare different methods of staffing.	

Learning Elements Specified in C&A Guide		Supplementary Teaching Notes
Topics	Explanatory Notes	
<ul style="list-style-type: none"> Performance management 	(v) Describe the objectives of performance management.	
	(vi) Describe the basic steps in the performance management process.	
<ul style="list-style-type: none"> Compensation and benefit management 	(vii) Describe the characteristics and advantages of monetary and non-monetary rewards.	
	(viii) Compare different forms of compensation.	- Forms: <i>time-based pay (hourly, daily, monthly) Vs performance-based pay</i>
	(ix) Explain the purposes of benefits.	
<ul style="list-style-type: none"> Training and development 	(x) Explain the objectives of training and development.	
	(xi) Evaluate the effectiveness of different modes of training.	- Students are expected to be able to suggest various on-the-job and off-the-job training methods
Development of a Quality Workforce	(i) Apply the following motivation theories to enhance staff efficiency and reduce absenteeism: <ol style="list-style-type: none"> Maslow's Hierarchy of Needs Theory Herzberg's Dual-factor Theory McGregor's Theory X and Theory Y 	
	(ii) Suggest appropriate internal communication programmes to enhance employee relations.	

3(c) Marketing Management

Learning Elements Specified in C&A Guide		Supplementary Teaching Notes
Topics	Explanatory Notes	
Role of Marketing	(i) Explain the marketing concept.	
	(ii) Discuss the importance of marketing as a business function.	
	(iii) Describe the planning, organising, implementing and controlling of marketing activities.	
	(iv) Discuss the objectives, strategies and resources of the marketing process.	
Marketing Research	(i) Explain the importance and major objectives of marketing research.	
	(ii) Apply basic principles for designing marketing research: data collection methods and sampling techniques.	- <i>Sampling techniques: random sampling, convenience sampling, stratified random sampling</i>
Customer Behaviour	(i) Describe the customer decision-making process.	- <i>Students are expected to be able to describe the process with respect to both individual and business customers</i>
	(ii) Analyse the factors which affect customer decisions.	
	(iii) Identify the major business customers: producers, resellers, governments and institutions.	
	(iv) Distinguish between business and consumer markets.	

Learning Elements Specified in C&A Guide		Supplementary Teaching Notes
Topics	Explanatory Notes	
Marketing Strategies for Goods and Services <ul style="list-style-type: none"> Target markets 	(i) Explain different types of market segmentation methods.	
	(ii) Explain the factors affecting the determination of target market: market niche and positioning.	
<ul style="list-style-type: none"> Marketing mix 	(iii) Explain the concept of marketing mix.	
	(iv) Illustrate different pricing, promotion, product and place strategies for goods.	
	(v) Apply various marketing mix strategies to different stages of the product life cycle.	
	(vi) Explain the characteristics of services and their effect on marketing mix design.	
	(vii) Compare the differences between traditional marketing strategies and e-marketing strategies.	
<ul style="list-style-type: none"> Customer relationship management (CRM) 	(viii) Explain the importance of CRM to the marketing process.	
	(ix) Evaluate the factors affecting customer loyalty and develop marketing strategies to enhance customer loyalty.	

Appendix 1 : Formulae of Ratios

$$\begin{aligned} \text{mark-up} &= \frac{\text{gross profit}}{\text{cost of goods sold}} \times 100\% \\ \text{gross profit ratio/margin} &= \frac{\text{gross profit}}{\text{sales}} \times 100\% \\ \text{net profit ratio/margin} &= \frac{\text{net profit before tax}}{\text{sales}} \times 100\% \\ \text{return on capital employed} &= \frac{\text{profit before interest and tax}}{\text{average capital employed}} \times 100\% \end{aligned}$$

Capital employed =

1. Sole proprietorships: capital balance
2. Partnerships: capital account balances + current account balances (if any)
3. Limited companies: non-current liabilities + shareholders' fund

$$\begin{aligned} \text{working capital / current ratio} &= \frac{\text{current assets}}{\text{current liabilities}} : 1 \\ \text{quick / liquid ratio / acid test} &= \frac{\text{current assets - inventories}}{\text{current liabilities}} : 1 \\ \text{inventory turnover (times)} &= \frac{\text{cost of goods sold}}{\text{average inventory}} \\ \text{average trade receivables collection period} &= \frac{\text{average trade receivables}}{\text{credit sales}} \times 365 \text{ days / 12 months} \\ \text{average trade payables repayment period} &= \frac{\text{average trade payables}}{\text{credit purchases}} \times 365 \text{ days / 12 months} \\ \text{trade receivables turnover (times)} &= \frac{\text{credit sales}}{\text{average trade receivables}} \\ \text{trade payables turnover (times)} &= \frac{\text{credit purchases}}{\text{average trade payables}} \\ \text{earnings per share} &= \frac{\text{net profit after tax - preference dividend}}{\text{number of ordinary shares issued}} \\ \text{total assets turnover (times)} &= \frac{\text{sales}}{\text{total assets}} \\ \text{gearing ratio} &= \frac{\text{non-current liabilities + preference share capital}}{\text{non-current liabilities + shareholders' fund}} \times 100\% \\ \text{dividend cover for ordinary shares (times)} &= \frac{\text{net profit after tax - preference dividend}}{\text{ordinary dividend paid}} \\ \text{price-earnings ratio} &= \frac{\text{current price per ordinary share}}{\text{earnings per share}} \end{aligned}$$

Appendix 2 : Accounting Terminology

Except for term(s) specifically identified in the question or stated in the requirement, the following alternative accounting terminology will be accepted for marking purposes in the HKDSE Business, Accounting and Financial Studies examination.

Accounting Terminology Acceptable for the HKDSE BAFS Examination	
English	Chinese
Statement of financial position / Balance sheet	財務狀況表 / 資產負債表
Year end / Balance sheet date / End of reporting period	年終 / 期末
Income statement / Trading and profit and loss account	損益表 / 購銷及損益帳
Net book value / Carrying amount	帳面淨值
Reducing balance method / Diminishing balance method	餘額遞減法
Depreciation based on usage / Units of production method	按使用量計算折舊
Sales / Turnover / Revenue	銷售 / 銷貨 / 收益
Cost of goods sold / Cost of sales	銷貨成本 / 銷售成本
Selling and distribution expenses / Distribution costs	銷售及運送費用
Allowance for doubtful debts / Provision for bad and doubtful debts	呆帳準備
Net profit / profit (or Net loss / loss) for the year / period	年度淨利/淨虧損
Retained profits / Retained earnings	留存利潤
Accounts receivables / Trade and other debtors	應收帳款
Accounts payables / Trade and other creditors	應付帳款
Trade receivables / Trade debtors	應收貨款
Trade payables / Trade creditors	應付貨款
Other receivables / Other debtors	其他應收帳款
Other payables / Other creditors	其他應付帳款
Inventories / Stocks	存貨
Short term investments / Current investments	短期投資
Equity / Capital and reserves	股東權益 / 資本及儲備
Total equity and liabilities / Total capital and liabilities / Shareholders' Fund and liabilities	股東權益及負債總額 / 資本及負債總額
Short term loans / Short term borrowings / Current portion of long-term borrowings	短期貸款