

Business revision essay



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Increase sales: This may be done by lowering price so consumers purchase more. May seek to increase sales through more clever marketing.

2. Increase market share: Market share is a business's share of total industry sales. This is easy to visualize using a pie chart that shows the percentage of sales the business has in relation to all its competitors. 3. Expand the business: Growth might be achieved by opening more outlets, employing more staff, starting new projects or introducing innovative products. Return on Investment- is a positive or negative percentage that relates the money gained or lost on an investment to the cost of that investment.

It is usually taken to mean that the return on the investment occurs over a 12-month period. Social Objectives- All organizations operate within a community and, like individuals, have certain social responsibilities. 1. Community service: Businesses sponsorship of a wide range of community events, promotions and programs rapidly increased during the past decade.

Many businesses financially support educational, cultural, sporting and welfare activities. 2. Provision of employment: Most large businesses do not regard employment of people as a main objective. Many small business owners, however, look at the continuity of their business, sometimes employing family members who otherwise might be unemployed. 3.

Social Justice: Everyone has the right to be treated fairly. It adopts a set of policies to ensure employees and other community members are treated equally and fairly. 4. Ecological sustainability: Organizations have to take increasing responsibility for the protection of the environment.

Each is fragile ecosystem, and we need to take care so it can sustain itself. The social conscience of responsible business owners leads them to adopt policies of conservation, recycling and restoration. Personal objectives of managers and owners-The nature and operation of the business tend to reflect on personal objectives, especially small businesses. It is a higher income and improved financial security.

Such as complement the business objectives of growth and diversification. Personal objectives for business owners are not normally made public. This does not diminish their importance because they motivate the business owner and may underpin the viability of the organization. 4. The contribution of small business to the economy; Key concept- Small businesses in Australia make a significant contribution to the economy.

Economy- is a system set up to determine what to produce, how to produce and whom production will be distributed. What we produce: would be dependent on the resources available, such as raw materials. How we produce: would depend on our skills and available tools to make that job easier. Whom to produce: who would it go to? Small business a contribution to employment and taxation revenue: Employment keeps the economy healthy. Employed Australians will use the wage they have earned to buy goods and services to meet their needs and wants, supporting business and opening up further opportunities for job creation.

Small business contribution to economic growth: Economic growth- occurs when the real value of goods and services increases over a set period of time. GDP- Gross domestic product it is the total market value of all final

goods produced by a country over a set period of time. Small business contribution to export earnings: Refers to the sale of our goods and services to other countries. In 2008-09, 16416 small business exporters shipped goods worth \$1. 0 billion.

5. The internal environment of a business; Key concept- The internal environment refers to influences that come from within the business itself and can affect business performance. Business environment: refers to the surrounding conditions in which the business operates. It can be divided into two broad categories; internal and external. Internal environment: sometimes called the micro environment includes those factors over which the business has some degree of control. External environment: includes those factors over which the business has little control.

It may be further divided into two categories and macro. The internal environment- is made up of elements created by the people within the business. Main elements making up the internal environment: 1. Employees: Employees are a business most important resource.

To recruit and select appropriate employees. The businesses that provide a work environment that maximizes employee satisfaction achieve high levels of output. 2. Managers: Every business- needs effective management to succeed. The skills and expertise of the management team in coordinating the businesses resources largely determine whether the objectives of the business are achieved.

3. Management style: Some manager's value employee participation and they delegate authority to those below them in the hierarchy. Such an

approach empowers employees and creates self-managing teams. This style normally results in more productive employees.

Corporate Culture: The belief, values, expectations, attitudes and behaviors of the people within the business combine to give a business its distinctive personality, known as corporate culture, or organizational culture. 5.

Company Policies: A complaint policy is an established set of broad guidelines to be followed by all employees when dealing with important areas of decision making. Such as disciplining, promoting and compensating employees.

Corporate culture: Is a set of mostly unwritten or informal rules that spell out how people are to behave most of time. **Policy:** Is a general guide to help employees deal with recurring situations.