

Advertising, social and economic costs and benefits



UNIT 1 P1 “ describe the type of business, purpose and ownership of two contrasting organisations” Tesco Tesco is in private sector, but it is a PLC, a public limited company, this is an international business, also it is in primary. Tesco is doing service by providing food to its customers. Tesco exist, so people can buy food, they do their own products also, this company exists for making profit. Tesco makes profit by selling its products or making deliveries to customers.

Tesco is trying to achieve , to be the best company Our vision is for Tesco to be most highly valued by the customers we serve, the communities in which we operate, our loyal and committed staff and our shareholders; to be a growth company; a modern and innovative company and winning locally, applying our skills globally. Tesco is a global business. Tesco is a public limited company (PLC) this means that the owners of Tesco are the shareholder. North Yorkshire Fire and Rescue Service- This is a public sector organization, it doesn't make profit, because it's service costs more than the amount of money people pay them for fire.

This organization exist so when the people have fire or extreme situations they call fire and rescue service and they help them. In 2004 North Yorkshire Fire and Rescue Authority developed a new focused Vision to reflect their broader function within the modernisation agenda. " Over the 10 years to 2014, in North Yorkshire and the City of York, 125 more people will still be alive through the work of the new Fire and Rescue Service. This will be due to the Service having significantly reduced the likelihood and severity of fire and other emergencies.

We will achieve this through the dedication of our staff working in partnership with other agencies in the community". This is a local company because it is North Yorkshire. Simply summarised as - The term " 125 Alive" captures the Authority's Vision in one simple phrase. It means that 125 people who might otherwise have died in an accident will be alive because of preventative action taken by the Fire and Rescue Service working in partnership with other agencies. The target will be achieved by a steady reduction year on year in fatalities in road traffic collisions and fires.

The aims and objectives of this organization are to help people to rescue them away from dangerous things, and also to remove the fire away, so the people will be in safe. They are trying their best , so they will be the best from their competitors. P2 “ describe the different stakeholders who influence the purpose of two contrasting organisations” M1 “ explain the points of view from different stakeholders seeking to influence the strategic aims and objectives of two contrasting organisations” Stakeholders:

A person, group, or organization that has direct or indirect stake in an organization because it can affect or be affected by the organization's actions, objectives, and policies. Key stakeholders in a business organization include creditors, customers, directors, employees, government (and its agencies), owners (shareholders), suppliers, unions, and the community from which the business draws its resources. Stakeholder Grouping| Interest| Tesco PLC| NY Fire & Rescue Service| Consumers/customers| They want high quality, value for money products. Customers often identify with the brands they buy.

They like to see improvements that give them better value for money. | People who want to buy high quality food or other staff| This are the local people in the local area who wants to take the fire out| Employees/workers| The company provides them with a salary/money to live (a livelihood). They seek security, promotion opportunities, job satisfaction and rewards. | This are the workers in the stores, they are interested in security| This are the firemen, their job is to rescue people and to remove the fire for safety. | Suppliers| They want steady orders and payment for supplying stock. They also want to feel valued. People which supply different staff like water, food, drinks etc. They do it because they are sure that Tesco Is a successful business and if they are successful so they have a lot of profit , and suppliers are sure in Tesco and they have more orders cause Tesco has more customers| People, who supply the equipment, like the extinguishers. | Owners| They may be a sole trader or in a partnership. In a company it would be the shareholders. Often thought to be the most important stakeholder. They see themselves as the principal risk taker. They want to see share of profit increasing and the value of the business rising. So the owner of Tesco is the shareholders, they are interested in success of their business, they want Tesco to be the best, as every shareholder does. | The government is the owner of the NYFRS. The government wants to succeed this organization in their job, so people will be in safe. | Trade Unions| They represent the views of the employees of the business. They want higher wages and better conditions. | They want Tesco to be successful, because if Tesco is successful, so workers conditions will be better, because this stakeholder is interested in employees comfort and life. They are interested in firemen success and conditions, wages etc. So if firemen start to rescue people or

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removing fire more and more, so they could get salary and this is good for Trade Union, this is what they want. | Employer Associations| They are the employer's equivalent of the TU. They represent the employer's interests in specific associations. | Basically this stakeholder is equivalent Trade Union, they have quite the same interests, they also take care about the workers, but in specific way. | They are looking for the comfort of the firemen, in specific associations. Local communities| The actions of businesses can have a big effect on communities around them. They want improved facilities and provision of jobs. | Local communities wants Tesco to be considerate about the people who live nearby, considerate about the emotions and feelings. | This are the people who live near by the fire rescue service base, so when they have an emergency call they start to drive fast and a lot of noise etc. People want them to be considerate about them and to think about them, that people could be sleeping now, or doing something different when they can't be disturbed. Governments| They want successful organisations which contribute to economic growth and provide jobs and tax revenue. They also like businesses that contribute towards the welfare of the country's society. | Government wants Tesco to succeed, so the economy of the country would improve more and more, and more employees would be needed as the company will grow, so less unemployed people would be. | The government wants to succeed this organization in their job, so people will be in safe, and the country's level of popularity would increase. Tesco: 1) Owners 2) Workers 3) Supplies 4) Customers 5) Government NYFRS: 1) Government 2) Workers 3) Suppliers 4) Customers 5) Local communities D1 " Evaluate the influence different stakeholders exert in ONE organization Tesco: 1) Directors - To be as strong in everything we sell as we are in food Directors are the

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stakeholders which have the most influence of the Tesco, because they can do everything what they want with the business, because it is theirs. They have ultimate control and power.

If they want for example they can change the name from “ Tesco” to something else etc. 2) Workers- To build our team so that we create more value Workers are the second most influence stakeholders in Tesco. This is because if there is no workers so the business can't grow at all and it will fail, no workers, means no job done. But also if the workers would leave the Tesco, it is not such a big problem, because “ Tesco” is well known successful business, and a lot of employees want to work for them. 3) Customers- To grow the UK core

Customers are 3rd important stakeholders which have influence on Tesco. So if there would not be customers the business would not be able to make profit at all, so customers are also really important part of each business. If the Tesco loses the customers , so they will go to theirs opponent businesses, such as “ Asda” and “ Sainsbury's”, and this could be because their would be not enough workers, or the customer service would be at low level. 4) Suppliers- To put our responsibilities to the communities we serve at the heart of what we do.

Suppliers are last important stakeholders with influence on Tesco, because if the suppliers wont supply any products so Tesco would have to use its own products, but that wouldn't make a lot of profit, and won't be sustainable. If “ Tesco” loses the suppliers, it is not a problem, because there are a lot of suppliers which are free and waiting for their chance, but if the suppliers were too good, this would be sad. P3 “ Describe how two businesses are

organised” TESCO: Span of control: The number of subordinates that a manager or supervisor can directly control.

This number varies with the type of work: complex, variable work reduces it to six, whereas routine, fixed work increases it to twenty or more. Chain of Command: The order in which authority and power in an organization is wielded and delegated from top management to every employee at every level of the organization. Instructions flow downward along the chain of command and accountability flows upward. The chart shows that Tesco has a different level of workers in its organization. These shows the managers and members, whom they control. The managers take responsibility of what their assistants do.

Manager of one job can't control the assistants of other job manager, so everything is equal. The boss of everyone is the store director, after him is regional manager as you can see, and later is the store manager, and only than other managers of different jobs, and on the bottom of the chart are all of the assistants of all of the managers. So in Tesco and in all other businesses the member of the working team can't control anyone above him, or anyone on the same line, he can control only the people who are under him. It is very hard to control big organization. So, it will be better to break the organization into smaller parts.

There are 4 main ways of breaking a business down into smaller sections: 1) By Function- What is the sense of each section? 2) By Location- Where is the section situated on the map? 3) By Product- Which service does the section belong to? 4) By Process- A customer staying approached on the other customers who are interested in Tesco. There are 2 main types of

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organizational structure: 1) Tall 2) Flat The difference between this two is that tall has more levels than flat , however in Flat Mangers there are wider span of control. . So, we can say that Tesco has Tall structure, because in Tesco's Organizational Chart has a lot of levels.

North Yorkshire Fire and Rescue Service: It is really hard to understand who is who, who is controlling whom, the table is a bit messy, and so I created a better one for you: But on Structure of Commission we can see that Director General has two lines. First, is that he should control 3 Directors, Corporate and Forestry, Central Services (HR, IT, Finance), Business Units, Forest Research. The North Yorkshire Fire and Rescue Service is looking so different comparing to Tesco's. . In Forestry Commission General Director works with more employees, however in Tesco Director works just with managers.

But The North Yorkshire Fire and Rescue Service's type of organizational structure is Tall, because it has many lines. And Forestry Commission is organization by Location, because they are separated on different locations, they have 3 directs in same country. Task 2 1) Finance addresses the ways in which individuals, business entities and other organizations allocate and use monetary resources over time. It helps Tesco with finance. 2) Marketing is the activity, set of institutions, and processes for creating, communicating, delivering, and exchanging offerings that have value for customers, clients, partners, and society at large.) The act or process or producing, bringing forth, or exhibiting to view; as, the production of commodities, of a witness. That which is produced, yielded, or made, whether naturally, or by the application of intelligence and labor; as, the productions of the earth; the productions of handicraft; the productions of intellect or genius. 4) Customer

Service is the commitment to providing value added services to external and internal customers, including attitude knowledge, technical support and quality of service in a timely manner 5) Sales- Total dollar amount collected for goods and services provided.

While payment is not necessary for recognition of sales on company financial statements, there are strict accounting guidelines stating when sales can be recognized. The basic principle is that a sale can only be recognized when the transaction is already realized, or can be quite easily realized. This means that the company should have already received a payment, or the chances of receiving a payment are high. In addition, delivery of the good or service should have taken place for the sale to be recognized.) Human resources- is a term used to describe the individuals who make up the workforce of an organization, although it is also applied in labor economics to, for example, business sectors or even whole nations. Human resources is also the name of the function within an organization charged with the overall responsibility for implementing strategies and policies relating to the management of individuals. Task 3 I will tell now, what makes Tesco and Forestry Commission similar and what makes them different. Firstly, they both have General Director, and he has helpers.

But in Forestry Commission General Director has more employees (they are: 3 directors and other staff members), however in Tesco, Director has just one helper. Secondly, these two organizations have two different, smaller parts. Tesco has broken down on process and North Yorkshire Fire and Rescue Service by Location. Last thing which I want to say is that, they have the same type of organization – it's "Tall". They have many levels and lines,

which helps them to control their business. P4 “ explain how their style and organization helps them to fulfill their purpose”