

Essential skills for management and business



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Introduction

Managerial skills are important attributes for employees, managers and executives to possess. Without several basic fundamental skills, a business will never achieve its objective. Skilful staff represents the capital of any successful business and are, and will always be an important reason for its success.

This report discusses some of the essential managerial and business skills acquired by companies. Firstly, leadership's importance and significant role is well highlighted in this report, for the belief that, in addition to any other business skills that you possess, possessing leadership attributes is crucial, because it will benefit your associates, managers, staff and even customers. People in General are influenced by leaders and sometimes, unconditionally follow their thoughts. Leaders are the primary target for marketers for they know, for the reasons mentioned above those leaders are more likely capable of increasing their market segmentation more than any other average person.

Besides leadership, critical and creative thinking is an important attribute that every successful manager has to have. Critical thinkers' main role starts when there are no solutions in the horizon for certain problems. Their creativity and the experience they gained assist in this process. Moreover, another vital skill a manager won't survive without technology. Technology is the modern's world tool of communication and not having enough knowledge about it will not end up with good results for the company.

Based on my studying in Kent University and doing two degrees in Electronics and Communication Engineering and Financial accounting, there are important skills that I learned attending these courses which I also think will be of much significance for my career. New product development guarantees more success for the company because it relies on market analyses and innovative ideas to produce something new. In addition, financial management is a fundamental skill for any type of profession a person might chose. Any type of business has to be organized and sources of money received and spent have to be kept, otherwise the company will just be performing randomly.

Leadership as a concept

“ Leadership is the art of getting someone else to do something you want done because he wants to do it.”

Dwight D. Eisenhower

Leadership is influencing peoples' behaviors' so that they become willingly prepared to work more towards achieving mutual objectives . consequently, an inspirational organizational culture will be created (Kotelnikov, 2001). The ability to inspire people to attain greater heights and dimensions of performance and consistent success is a skill acquired by Leaders in the new century. Passion and effective communicating are important attributes to make the leader inspirational, which will reflect on the organization's culture, making the employees more committed as we as turning the workplace into a thrilling environment (Heathfield, nd)

Type of Leaders

Leaders are the engine of a work, the motivation for employment, and the face of a company, that's why it is important to choose the right leader into the right position.

3. 1 Executive leaders (CEOs) shoulder the responsibility of clarifying the vision, mission and direction of the firm (Coulter, 2010). CEOs participate in formal events; they also make speeches, but in fact have little impact on the daily business operation (Radcliffe, 2010).

3. 2 Line leaders are the connections between low and top levels; especially in organizations with high hierarchy. They have the power of presenting the executive leader's message to his/her staff. They are very influential in organizations, not only they can stop or alter any project, but also they can take a leadership position and promote change (Fletcher, 2010).

3. 3 Network-leaders They are the invisible strength behind how the real firm operations. Whether they were Union Representatives or technical experts, These Leaders create a network of relationships that allow them to know much about the organization, and thus gain real knowledge about the organization's operations (Radcliffe, 2010).

Creative and Inspirational Leadership

In a survey that involved more than thousand and a half employees which asked those employees what attribute would they like to see most in their managers. More than half of the survey takers answered "inspiration" (DTI, 2010). An inspired workforce is fundamental for any ambitious business that hopes to be ahead of its competitors. Inspiring people motivates them,

makes them more objective oriented and enhance their creativity (Northouse, 2010).

Our environment is shifting quickly and unpredictably. Creative employees are those who are capable of foreseeing future opportunities and are also able to change the workplace in which they work to a positive atmosphere (Northouse, 2010). Creative leaders are mostly needed in vital moments, where the organization can't find convenient solutions. They seek and find opportunities, bring in positive change and make huge efforts towards creating new products/services through new processes and innovative techniques (Kotelnikov, 2001). In addition creative thinkers have the capability to transform ambiguous problems to business opportunities. Besides their ability to analyse the environment, they also take part in building relationships, alliances and encouraging creativity (Fletcher, 2010).

According to Jack Welch, the previous legendary CEO of General electric, a good leader is one who is capable of making people feel that they are real a contribution to the organization. Welch adds that working toward a shared and worthwhile goal can produce huge positive energy. In his Beginnings, Jack Welch's goal was to make General Electric the world's most competitive multinational enterprise. He, therefore realised that only can revolutionary thoughts turn his dream to actual reality (Kotelnikov, 2001).

The American corporate business model in the United States had not changed since 1980. Employees did their job, managers managed , and everybody knew his/her place. Those days were ruled by rules and forms and bureaucracy (Fletcher, 2010).. Welch's revolution meant changing the old

ways of doing Business in the company and restructuring the company entirely. As a result of his inspirational influence and charismatic attributes, Today, General Electric stands as one of the world's most admired and unique companies (Kotelnikov, 2001).

Welch's successful techniques are applicable to small, growing and large companies. Those techniques mainly focus once again on articulating the company's vision, since creative managers inspire their employees with obvious visualizations of how things can be achieved better. Welch also recommends that the manager has to be simple. Simplifying things is a key factor of business (Kotelnikov, 2001).

“ Simple messages travel faster, simpler designs reach the market faster and the elimination of clutter allows faster decision making.”, according to John Welch Clarifying and simplifying things makes it easier for employees to know their position better, as a result they become more energized and focused on achieving objectives. Furthermore, Welch advises managers to always face reality, and act according to the actual situation. Ignoring reality means shifting away from long term objectives. Also, a company should seek any opportunity of change. Change is a big part of the reality in business, and readiness to change is a strength, even if it involves temporary confusion within the company, however in certain circumstances, it is a necessity. In addition Creative, Inspirational leaders are known as Risk Takers, they have a clear affinity to break the rule and take considerable risks, towards producing this change (DTI, nd).

Critical Thinking

Critical thinking is the procedure by which an individual comes arises with a new innovative idea (Powell, 2010). The process involves actively and proficiently gathering, analysing and evaluating information, based on an individual's observations, knowledge and past experiences. To be able to think creatively you have to be clear, precise, consistent and fair (The Critical Thinking Community, 2009)

Critical thinking could involve integration of ideas which have not been combined before. Brainstorming is one significant form of creative thinking: it works by the unification of two or more people's ideas in order to create a new innovative one (Powell, 2010). Besides the cooperative efforts taken to produce a new idea, however this process could sometimes be accidental (Brainstorming, 2006). This occurs when a certain circumstance arises and leads someone to start thinking about situations in a different manner, and sometimes leads to a valuable change(Powell, 2010). Nevertheless, new ideas are usually produced through pure use of mutual intelligence and logical sense to come up with something new, this is what could be referred to as a deliberate critical thinking situation. When a group of people share their knowledge and experiences, particularly if those people come from different cultures, new ideas start to appear in the horizon, because people from different cultural backgrounds have experienced different situations and obstacles, hence, grouping the efforts in this manner will most likely produce this change (Brainstorming, 2006). Nevertheless, with continuous practice, (ongoing investigation, questioning and analysis) will develops an individual's general knowledge and understanding, resulting in a better perspective and forth seeing in sticky situations (Brainstorming, 2006).

Critical thinking is the process in which of reasoned and disciplined thinking to a certain subject are implemented. In order to succeed in your studies future career you must be able to think 'critically' about the things you have read, seen or heard. And in order to develop your critical thinking, there are certain levels (The Open University, 2009).

Procession - receiving information (i. e. in what you have read, heard, seen or done).

Understanding - Comprehend the key aspects, assumptions and evidence presented.

Analyses - Examining how those key aspects fit together and are related to each other.

Comparison - realizing the similarities and dissimilarities between the ideas you are developing.

To Synthesise - Bring together several sources of information to create an argument or an idea you are building. Also, it includes your ability to make logical associations between the various sources that help you outline and support your ideas.

Evaluation - Assessing the value of an idea in terms of how is it relevant its to your needs, the facts on which it is based and how it relates to other applicable ideas.

Application – Transforming the understanding you have gained from the evaluation level in order to use it in response to questions, assignments or projects.

Justification – Using critical thinking to develop your own arguments, draw conclusions and identify implications (The Open University, 2009).

6. Technology Skills

Knowing only how to use basic technology skills such as internet browsing or e-mailing is not enough anymore. Possessing solid technological skills, on the other hand, will put you a step above your colleagues (Pavlina, 2006)

In general, companies are extremely reliant on IT that they can't lay off the people who keep their data centre operations running, and neither they are willing let go of their developers, who will be familiar with the forthcoming technology. In general those are the most essential IT skills an employee, who is chasing a good career shall have:

1. Database

Database expertise is an important skill that employers would love to see in their employees. Companies are looking for IT workers with experience, particularly in Microsoft SQL Server and the Oracle Developer Suite.

According to a survey in 2008 which was conducted by the Society for Information Management and was intended to know which skills do CIO's prefer for their job candidates. Expertise in databases was one of only four technological skills listed by CIOs, who besides, database also listed other attributes such as teamwork, problem solving and communication in hiring recent college graduates (Marcan, 2009).

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2. Messaging/Communications

Messaging and communications is one of few skills that experienced a pay raise in the fourth quarter of 2008. Firms are for the most part interested in hiring staff with experience in unified communications and messaging systems. Efficient communication saves time, expenses and energy. Also it promotes a cooperative environment where people can communicate easily (Turner, 2005).

3. Project management

SIM's 2008 CIO survey listed project management as one of the top 10 skills needed for mid-level employees. Companies require project planning leaders. Someone who has the ability to plan, schedule, and gets the results done." Project management skills are going to be more important over the next few years," according to Henry Eckstein, senior vice president of strategic technology at York Insurance Services Group (Marcan, 2009).

4. Networking

Every company plans to increase its profits. And that could be done more conveniently whenever the company has more customers, partners and friends. Furthermore, the individual's own circle of people contributes to the overall company's network. Therefore, an employee with networking capabilities is another attribute job employers seek while recruiting (Turner, 2005).

5. Security

It's true that there are many benefits for technology, but also it has some other disadvantages that can sometimes cause real obstacles in the firm's

track towards development. Hacking, Spamming and data system crashes can sometimes be very costly. Hence, the security of your data is worth money (Turner, 2005).

Financial Management

Through the past few years, and exactly starting from the electronics department at Kent University, the idea of business was gradually crossing my mind, since business field is very important now days, and because I always wanted to study this subject and improve my knowledge about it, the idea came to specialize in this major and learn about the management techniques and strategies to be able to combine my engineering degree in electronics and communications with the business skills I earned through this year, which contains valuable information on how to manage my life style, how to deal with others and be successful in the practical life, and last but not least to connect everything to business. I really believe that business management is a priority subject to be taught, and in my case I can combine my business MSc degree with my previous degree, and look for more opportunities like the consulting field for example, rather than looking into one direction only.

It has been concluded that management accounting is a crucial when it comes to a company making vital and well-timed management decisions about their business (Abraham, 2008). However, it is obvious that different types of businesses will acquire different management accounting requirements. Financial management is important when considering the following areas:

- The sales process: which includes distribution, debtors and pricing.
- The purchasing process: includes records of stock levels and creditors.
- Records regarding employees.
- A fixed asset registers (Collier, 2009).

Financial management is a very important major as I mentioned before, but personally I prefer to be specialised in the accounting finance sector and risks, because I think the accounting field is a sensitive one, also managing risks as well, because it helps ordinary people to understand the market, especially stock exchange market, by using the income and financial statements anyone with a bit knowledge about accounting and finance will be able to figure out the real prices per shares, dividends, return risks and more readings, which will lead us to think more realistic about facts and how to deal with them. Financing risks also very important, it prevents from falling into business traps and circumstances related to it, as well as crisis which can happen anytime and cause big manufactures to collapse, so being aware from risks is a benefit itself; James porter once said “ avoiding risks is more valuable than the income earned by that risk”.

There is no legal obligation for companies to draw up management accounts; however, many companies find that it makes running the business much simpler if they do prepare the accounts. In fact, many companies produce account reports monthly, quarterly and yearly to keep track of the financial transaction (Abraham, 2008).

Management accounts are useful for analysing the previous and present performances, in order to visualise future trends. This includes looking at profit forecasts, income and cash flow statements in addition to sales (Abraham, 2008). The actual numbers collected from the analysis shall be continuously compared against numbers that have been previously predicted while designing the budget. The information collected for the management accounting is usually broken down so that the performance of different departments of the company can all be measured individually to make sure that all these departments' capabilities are exploited (Collier, 2009).

A convenient plan to start with is to design a fitting budget, which represents a roadmap for managers to constantly know where their businesses are actually standing. In order to design the budget the financial team has to design income and expenses tables, which will assist financial managers to notice where does the money come from and where does it go, so they can afterwards focus on those products that are generating products for the company, at the same time, getting rid of extra expenses (BBB, 2009).

For businesses who are engaged in selling a selection of products, they are advised to produce a financial breakdown for each of them. This will allow you to make sure that very gainful products are not subsidising those that are failing to sell as well. By organising the financial side of the company in this manner, managers will have the ability to supervise trends in the business, consequently indicating any variations in income and spending that may require alternation (Collier, 2009).

ANT is a global packaging supplier that provides equipment to the food industry. The company developed a computer-numerically-controlled (CNC) machine for packaging. And even though it was two to three times more expensive than its competitors, but it operates twice as fast. Worthy to be note than 10% of ANT's annual sales are invested in research and development (Abraham, 2008)..

The company has branches in US, Europe, Australia in addition to the Middle East. Normally, the manufacturing of the CNC project is outsourced to less expensive labour countries to reduce the capital investments (Abraham, 2008).

8. New Product Development

Another skill I was able to develop during my studying in the University of Kent is the importance of new product development.

Product development is the integrative process which includes the strategic organization, concept generation, product and marketing plan creation and estimation, and afterwards the commercialization of the new product (Ulrich, 2009). New product development is the energy that pumps the organizations innovation engine, and it is impossible for a firm to grow without developing new products (Ulrich, 2009).

8.1 LAUNCHING A NEW PRODUCT

Once the product-line structure has been initiated and a new product is being developed, it is time for the company to consider how the product could be successfully launched to its target market (Reference for Business,

2010). This is the phase where an advertising or public relations agency can participate, especially for small businesses that lack the internal resources needed to handle such a job by them. However, when utilising an outside agency to launch a product, a company should firstly, have a well-defined product concept, also provide the agency with background information about its products and aims. Thirdly the firm has to have an official business plan. Lastly marketing and advertising plans should also be determined (Reference for Business, 2010).

With annual sales that exceed £4.5 billion, Kellogg's is the world's leader of cereal products and convenience foods products, such as cookies, crackers and frozen waffles (The Times 100, 2010). Kellogg's is a multinational organisation. Its products are manufactured in 19 countries globally and sold in more than 180 countries. Kellogg's realize the importance of maintain positions in manufacturing products they are good at. However, the worldwide company's executives suggest that in such an uncertain world there is a continuous need for change and production of new products. New product Development depends on the marketing mixture, so that the company analyses the products characteristics (The Times 100, 2010).

1, Product: This element is related to how the company offers meets the continuous shifting needs and wants of consumers. In this particular industry, the growth in healthier lifestyles creates opportunities for Kellogg's to increase the number of products for this segment.

2. Price: The sum a company charges for its product is imperative in influencing the sales number, and giving the firm an idea about it. Big

Brands like Kellogg's can charge a premium because of the quality of its product and the fame of its brand.

3. Place: Where customers can find the product is also an essential factor in determining sales. Your products have to be available where customers are most likely willing to buy them. This depends on the market analyses (Ulrich, 2009).

4. Promotion: Kellogg's uses above the line promotion like TV advertising as well as below the line promotion like on-pack promotions and sampling.

Managers can take a decision on when to make key changes to core products by analysing its position within the product life-cycle. Life-cycle analysis accepts that products have a limited life, and analysts makes charts for product's performance through several phases, starting with its launch stage through various phases of growth until it finally reaches development maturity and ultimately decline. An average product's life cycle may last for few months, for instance food products. Nevertheless for super products it could last for years like the car industry (The Times 100, 2010).

9. Conclusion:

This report is a reflection of the managerial skills obtained from studying at the University of Kent in both the Engineering and the Business departments. Doing both degrees supplied me with a flow of very essential skills which i think about as a future investment.

Firstly, this report discussed the role of leadership and critical thinking in taking the company's success to another dimension. Those two attributes

are crucially important. Leadership implies seeing and being able to analyze circumstances before it arises so that you are always ready to face them. Critical thinking is the mechanism that you use to produce innovative solutions in complex situations. These two attributes require expertise and cannot be acquired easily.

Furthermore, this report discussed the importance of Technology in our modern world. There is no doubt about the fact that technology has already and will have a more significant role within which people will communicate with each other. Technology facilitates the way we live and communicate. Technology, when used efficiently will be a huge assistance for the company.

The benefit of technology doesn't only stop at facilitating communication within the organization, but also it has a significant role for new product development. To produce a new product you need to be innovative and you also need the required technology to be available so the process of new product development is formed. And even if sometimes the new product is more expensive, but if it has good quality it can still be sold.

Finally, Financial Management and budgeting skills are required by both small firms and giant Multi National Enterprises. Cash flow is the actual capital of the organization. It is important to realize how this capital is built accurately, that's why you have to keep track of all the money you spend in addition to the money you received. Appropriate Financial Management keeps the company away or at least lessen the risks it may face in the future. Looking at previous year's trends can sometimes, but not always be useful. Circumstances change regularly, thus a successful manager is one

who analyzes the whole environment strategically before taking and business decision.

Successfully and efficiently managing is an integrative process. It is true that nobody can be excellent in every skill, being good in some of them, however, and always working on developing the other skills you are not very familiar with will improve your attributes as an individual, an employee or a manager. As a result, possessing business skills and developing them will end you up with a better career and a better life.