

Features of contributing to the success of contrasting businesses

[Business](#), [Company](#)



In 1908, Selfridges was founded by Harry Gordon Selfridges. Over the last 100 years Selfridges has really taken off as a business from only having one store in Oxford Street, London to now having three very successful stores around the UK one in Leicester, Manchester and the original London store. Selfridges has many partners who are involved within the business with them being involved it means they share the management of the business and will share the profits between the individuals.

However, most businesses will have limited liabilities, this means that each partner is not responsible or liable for another misconduct that has happened in the company. Selfridges has limited liability which means that it cannot exceed the amount which is invested in a partnership. Shareholders can participate in the growth of a company, his or her liability is restricted to the amount of the investment in the company, even if it subsequently goes bankrupt and has remaining debt obligations. Because Selfridges was set up so long ago in 1908, it was not very expensive to set up, also in 1908 there wasn't much competition in the designer clothing market so he didn't need to worry about other companies. The only thing Harry needed to worry about was the risk that he was preparing to take, if he wanted to make a profit.

When the business was starting to take off the partners of the business were a huge help because he would have had to talk to them all to make big decisions. Another advantage of being part of the partnership is that Selfridges will have a much larger source of capital within the business. This means that the partnerships will be able to invest in more ideas towards the company.

Also, when you have a lot of different partners they will all have different and varied ideas to put forward and try and make the business better as a whole. In a company the partners are normally skilled and are in the field of work, this is because if something goes not as planned a specialist is there to help. However, partnerships also have disadvantages, for example a big disadvantage can be that the business partners can have arguments and disagreements when they put their own ideas forward. This could be bad for Selfridges because it could lead to the partners pulling out because they might feel that their points aren't being heard. With partners pulling out it means that the company will have less capital in the business this could result in Selfridges not going forward projects because they don't have the backing and money to support the project.

Another disadvantage with a partnership is that you have to pay tax to the government. This leads to in the long term Selfridges will be not making as much profit because they will have to be paying a larger amount to the government. The second business I have chosen to compare is British heart Foundation. This is a non-profitable charity organisation, The Charity's main office is located in London. The charity has helped a lot of people suffering with heart problems like heart attack etc. You can check their most successful stories on their website. British heart foundation has over 500 stores across the whole of the UK, this means that it's one of the most popular charities from when it started back in 1961. The British heart foundation fund over £100 million a year of research into heart and circulatory diseases. British heart foundation are trying to get the number of

190 people dying of heart attacks a day down to 0, as you can see heart attacks are a massive problem and with the donations they get there trying to research into how to stop them. As British heart foundation are a charity this means that you can't buy shares in it.

However, British heart foundation has a lot of stakeholders for example people who donate to the charity, people who take an interest in the company and the government. Stakeholders play a massive role in a charities development and sustainability by helping with fulfilling the objectives and goals. Having the ability to create a public-facing or access only extranet areas ensures that information is shared with relevant stakeholders and very strong relationships can be built between the charity and the stakeholders. Being a charity can have lots of advantages, for example a charity pays no more than 20% of normal business rates on the buildings which they use and occupy to further their charitable purposes. This is helpful in the long run because as they are a non-profitable company it would cost them too much to pay normal business rates. Also, another advantage of being a charity is that charities don't have to pay the same amount of VAT as other companies. A charity can get special VAT treatment in certain circumstances. Many think that charities get let off with VAT but this isn't the case. However being a charity also has disadvantages, forming a charity is not easy work. A huge amount of effort is required that an attorney is required to be involved. This leads to the charity pay huge expenses for an attorney that can't promise anything, the average attorney would cost you about £4, 000.

Overall, now I've compared both companies you can clearly see that they are contrasting. Selfridges is one of the world's largest designer outlet stores across the world. There always trying to go ahead with new projects and expand the business Selfridges are always making sure they offer the best quality customer service they possibly can. Because Selfridges are a private limited company them and their partners are the driving force behind the company and will keep driving until there the biggest company they can possibly be, this means that in the long run they will still maintain their reputation and maximise their profits. Whereas, British Heart foundation are a non-profitable charity that tries to raise donations to help them better the research into heart cancer and to try to find a solution to cure it, this means that British heart foundation are focusing on the quality of their research, whereas Selfridges are focusing on the quality of their goods. Also, British heart Foundation rely heavily on their stakeholders (people who have an interest in the business), For the British heart foundation to be successful in their research they need as much backing as they can from their stakeholders.

When comparing Selfridges and British heart foundation you need to look at what both of their ownerships are and what procedures they must go through to allow their businesses to be successful and have rapid growth on the market. As the business was set up in 1908, by Harry Gordon Selfridge, Harry would have had some purposes of what they want to achieve within the business to make sure that they were successful as a whole partnership they done this because they want to make sure all the staff and partners

that were associated with Selfridges met the demands of the customers to make sure they were happy with the service that Selfridges are providing. There main purpose of the business is to sell good quality products to individuals.

A very big purpose for Selfridges is that they want to keep their clients expectations high, this meaning that the business gives their clients certainty on the quality of the goods other than unpleasant surprises. Selfridges also try to be as straight up with their customers as they can be. This leads to the business maintaing their good reputation because of how well the quality of the product is. Making sure that they are getting positive feedback from customers by making sure they the staff are helpful and polite and that they don't overcharge the customer, this leads to the customers coming back in the future and will end up spending more money which means more capital.