

Management expertise flashcard



Knowing about what your staffs wants and how effectively management can be used to gain greater output from staff. It's all about prioritising and delegating business activities to achieve maximum efficiency for your department to keep costs low and maximise profit – organizing the workflow to maintain budgets. I intend to achieve this in my business by communicating with my staff and working with them to make sure that they work to the best of their capabilities.

Training in the workforce Training in the workforce can be done on the job or off the job. The TECS (Training and Enterprise Councils) make sure that people receive proper training for the job that they are supposed to be doing. Hopefully I wont have to be training my staff in sales, but I will have to train hem in use of the till etc. Low Overheads Basically, this means that a company will be making a bigger profit because its outgoing costs are not as big as other companies, which might be larger in size.

A company does not have so much social responsibility and the costs of premises, hiring staff and training may be lower. However, it is difficult to achieve low overheads at the outset of starting the business.

Reputation Having a reputation is very important in a business, but only if the reputation that you have is a good one. Companies who do not have a good reputation will fail because no one will want to buy products from them, but also no one will want to supply them with any products or materials, if you have a reputation for not paying bills or debts.

Building up a good reputation can take a long time, but if you are willing to try hard, word of mouth and good promotion can help. Being a new business

you have no reputation, so making a good first impression is very important and will take time, so business may be slow at first. Sole trader vs. Ltd Being a sole trader, you are on your own out there. By being a LTD, you have limited liability, and therefore the affect on investing in that business is not as great. By investing in a business that you are going to run yourself, you are taking on all the risks of the company and whilst you may have lower expenditure, you may not be able to match prices that the bigger companies who are making a lot of profit can make.

Factors outside market affecting supply and demand In business you do not always have control over how much raw materials or products will cost, because of other factors outside your market. I am going to be selling cosmetics, but if the cost of packaging goes up, I am going to be affected because the producers of the products will also put their prices up. With demand, I may not be able to supply what the customer wants because the demand for products by other business may be high and if they are paying greater amounts for products, then the suppliers will supply more to them than to me. Population growth If the population increases, then the demand for products will be greater and this is an opportunity for a business to expand its range of stock and appeal to an ever-increasing market. This is a good thing for business. At present, the population is increasing and more specifically, the population of females, who will be my main customer base, is increasing.

There are a large number of young females in Seaford who are coming of the age when they want to wear make up, and this is very good for business.

New product ideas By having new product ideas and possibly being able to

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put these products together without the help of other companies, then I will be able to appeal to a wider range of client and lower expenditure even further if the company slowly becomes self-sufficient. Real consumer spending is set to rise Due to this fact, a business may be able to get away with slightly higher prices, as consumers are likely to be spending a greater amount on products. Also, interest rates will affect this side of the economy too.

Competition Competition will always be the greatest threat to a business. If somewhere else can produce the same products as you at lower prices and provide a higher standard of customer service, then it can be very hard to survive in business. The only way to become a successful in business is to provide different things than other business and also to sell them at a reasonable price. I will be mainly competing with Cosmetica. Interest rates rising At present, interest rates are rising and therefore businesses need to add these costs to their services or products, i.

e. banks, building societies and housing estates to house prices. UK is set to become increasingly dependant As the UK becomes more and more dependant on other countries around the world, then prices of certain products may go down. Generally, Middle Eastern countries can produce products for lower prices, but this means depending on others outside the UK. If the UK was to try and stay independent, then really, although the cost of buying products may be higher, the economic results of this are great.