

# [Business studies: business management case study](https://assignbuster.com/business-studies-business-management-case-study/)

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Business Studies: Business Management 1 . Outline the current difficulties faced by Billions management. Blabbing is currently facing a number of difficulties that are both internal and external.

One of the biggest problems currently faced by Blabbing management is the lack of support from institutional shareholders. 2. Describe the factors that have led to Billions current success/decline. One of the main factors is 3.

Explain why changes were made to Billions management structure Changes were made to the blabbing management structure because of the poor sections made by management over the past 10 years.

Blabbing was “ littered with poor investment decisions, strategy blunders, hubris and flat-footed management responses to structural changes in market conditions” said Elisabeth Knight. The biggest change was changing the chief executive Lana Inman, even though the support from institutional shareholders was missing.

The Blabbing management was also criticized by Elizabeth Knight for the “ overspending on brand acquisitions” which she believes is the simplest explanation for why the business is currently failing. The new chief executive officer Lana Inman 4. Based on the articles provided, assess what changes Blabbing could make to keep the business sustainable. For Blabbing to become a sustainable business and keep operations they need to turn back to the roots, the surfers.

As Alexandra Cain said, laboring have to take a lesson from this, which is “ never turn your back on your main market, namely passionate surfers”. Those surfers are the roots of the blabbing company and with Blabbing moving into the fashion market, the attention was no longer on the surfers. Another change is to take a fresh aim at the youth market, although it would be a struggle due to the financial state of the company. . Describe the changes in sales revenue and earnings per share between 2011 and 2012 and identify possible impacts these changes could have on the business.

Blabbing share prices suffered a large drop in value from 2011 and 2012. The share price of 31. 1 cents dropped a considerable amount, losing 158. 7 cents