

L18 APSC221 - Managing the Business Enterprise

Business Organization

The org chart typically has a:

- CEO
- Other C-Suites (COO, CTO, CFO), or VPs (marketing, operations, finance, research)

Organizations describe themselves based on:

1. Mission - purpose of the org, what they are achieving its vision
2. Vision - future focus, defining the future state of the org
3. Values - shared beliefs amongst shareholders, org culture and decision making

Organizational Systems

1. Resource inputs - money, people, facilities, equipment, tech, materials
2. Transformation process - work activity
3. Product outputs - finished, goods and services
4. Customer feedback, and iterate

Types of Organizations

Profit

Includes publicly traded companies and private sector

Non-Profit

Non-government organizations (NGOs), charitable orgs, and special interest groups representing a profession, religion, sport, etc.

Management Process

Planning

The process of determining the firm's goals and developing a strategy to achieve them
Goals, Gaps, Plans, Actions, then Evaluation & Iterate

Plans: **Strategic** (3-10+ years), **tactical** (1-5 years), **operational** (0-2 years)

Leading

Involves interactions between people, often between managers and their subordinates, but can also involve peers,

Guiding, motivating and coaching employees, not just giving orders

Organizing

Determining how to use the resources to implement the plan

Arranging jobs in a structure to create an efficient task system

Controlling

Establishing standards and measuring performance

Types & Areas Management

- Top Management (C-suite, overall performance, decision-making)
- Middle Management (VPs and EDs, implementing decisions)
- First-line Management (Managers and Supervisors, responsible for supervising employees)

As management goes from large-scale to small-scale, more technical expertise is required. In opposite order, more conceptual expertise is required.

Regardless, all managers must have **time management** and **decision-making** skills

Areas of Management:

- Marketing
- Financial
- Engineering
- Operations
- Human Resources
- Information

Strategic Management

Strategic management is the process of aligning the organization with its external environment

Goals are the starting point of successfully managing a business, and the planned method of reaching a goal is the "strategy"

Formulating a strategy is based on goals, and mission, vision, and value statements.

SWOT Analysis

Strengths, weaknesses, opportunities, threats

An evaluation technique that analyses an organization and its environment by identifying internal strengths and weaknesses and external opportunities and threats

Levels of Strategy

Corporate-level strategy (large)

Focus on one product, market penetration, improving products for current markets, expanding operations in new geographic areas

External activities that result in growth, acquisition of competitors, controlling inputs of the firm's processes or distribution channels

Business-level strategy (medium)

Produce at the lowest cost, target market segments, cost focus in a specific niche, differentiation focus

Functional strategy (small)

What actions can our department pursue to reach the overall goals?

Contingency Planning and Crisis Management

Business environments can be unpredictable, orgs need to be able to deal with the unknown and unforeseen through contingency planning and crisis management

Culture

Culture affects employee's attitudes and work efforts.

Forces shaping corporate culture:

- top management values
- history, shared experience
- stories and legends
- strong behavioural norms

Culture should be communicated to new managers and employees should be rewarded for continuous culture practice.

If a culture change is required, new systems must be established to enforce new values.