**Question 1:**

If I were to start my own business I would choose to start a sole-proprietorship. The main thing that would cause me to start a sole-proprietorship over a partnership or a corporation is that I would be by myself and have no one else to start it with. The company that I would decide to create would be a video game company and that type of work can be done by yourself. It is not as easy to do because some help can be needed with the art and music. The reason why starting a game company by yourself is a good idea is because there would be no one to second guess your ideas and the way you make your game.

I would also choose a sole-proprietorship because it would mean me being my own boss. I would be able to set my own deadlines and can know what needs to be done. The good news about the game industry is that you only need simple tools to be able to make a great video game that I already have at my disposal. This would cut back on a lot of upfront costs that usually comes with starting a business. Another reason I would start a game company on my own is that I would be able to leave a legacy behind. The great thing, which can also be a bad thing, is the number of people that could possibly play the game that I would create. The ability to be able to create a video game that people enjoy and can become popular is a dream of mine. No amount of commitment would be too much to be able to achieve that accomplishment.

When starting a business, cost of staying open becomes a big deal. As stated earlier the ability to create and sell video games very cheaply is amazing. Gamers prefer indie games who are made by independent designing companies who do not have a AAA backer like Activision or Ubisoft. The ability to create a video game cheaply with very little risk financially would be fantastic and a huge stress reliever. This will let me make video games without the thoughts of financial risks.

**Question 2:**

There are many factors that could cause a business that opened to fail. They range from lacking financial support, lacking the ability to plan, and being able to find customers to continue to stay open. The way that I would avoid the financial struggles is to go out and find the support to get me going. The best way to find support is to ask friends and family for financial investments since banks will not usually fund start-up ventures. The only thing to look out for when taking money from friends and family is to make sure that if the business were to fail that the relationship that you have would not be ruined. The way around this is to write up a promissory note to set up a payment plan so they will get their money back with any interest that may have been agreed on.

The best way to plan for a start-up venture is to create a business plan. The business plan is the most important tool to have for a business. The reason for this is because it sets the business on a set path so you do not get distracted. The other great reason to have a business plan is because it shows any possible investors who are interested that you have a plan and have given your business a lot of thought. The business plan is a long document so you do not have to have it all written up before starting a business, but it is highly suggested that you at least start on it so you have some headway before heading into an investment meeting with a banker, Angel, or Venture Capitalist.

The other way that businesses fail is that they cannot find customers to buy their products. There are a few ways that this can be solved. One way is to advertise your product to people so the word gets out and you can sell your product. Advertising nowadays is so easy because of how easy it is to be connected to the internet. Another way to solve this is to plan accordingly and realistically. Do not think that your product will sell exponentially and plan to make millions when you may only sell thousands. This misread can cause you to spend more and expect a better outcome, and when the latter comes you freak out and think your product did not do well. The product may sell well, but you just need to have a realistic view of what you can sell.

**Question 3:**

A healthy firm still should worry about effective management. The reason that no matter how well a company does management will always be an important thing to keep up. If the company started to let their management slip the company will start to slip because when a company’s management starts to slip, employees do not work efficiently. When employees do not work efficiently. Management creates the plan that the employees then execute. When a company decides to not worry about management the plans that employees are to follow are not being made or enforced.

The management team plans out what they want the company to strive for, then they lead the employees that are under them to follow their plans. Companies have an obligation to continue to keep their management team strong. They may think that they do not need to worry about an effective management, but they may not realize that the effective management may be the reason that the company is doing as well as it is doing. A healthy firm has a set plan that it follows in order to stay healthy. A firm could get lucky with sales and just coast on that for a while, but that will only last so long and once they start to fall apart a plan could be the difference between staying healthy and failing.

Employees do not pick what the company is to do. Management sets the standards on how to sell products, deal with customers and regulations that should be taken when working during their shift. Managers go through training that normal employees do not go through in order to handle certain situations that could occur while selling or in the workplace. The managers are the regulators who make sure that everyone under them understands what is expected of them and how they should go about completing their job correctly. The other thing that stands out is that if you have an ineffective management team it means that there is no agreement and nothing can get done. Having an ineffective management team is like not having one at all. There must be a set way to do things in the work place, otherwise mistakes are made, which is where injuries occur. This will result in loss of sales and the company to become unhealthy.

**Question 4:**

The five steps of the organizational process are choosing a centralized or decentralized authority, choosing the appropriate span of control, choosing between tall and flat organization structures, weighing the advantages and disadvantages of departmentalization, and form a hierarchy. Deciding whether to have a centralized authority will make the company make decisions at the top-level of management such as the president or CEO. A company having a decentralized authority having decisions passed down to lower-level managers and employees who are more familiar with the situation.

The span of control that an organization sets up is the number of subordinates that a manager supervises or should supervise. This limits the number of subordinates because a manager can only supervise so many people before it becomes too much for them. A tall organization is just as it sounds having many tiers of management where the flat organization has few layers of management, which seems to be taken hand in hand with a decentralized authority since employees have more authority and responsibility than in a tall organization. Departmentalization divides the organization into separate units. This part of organizations allows employees to develop their skills in their department as they master more skills. This also allows management to be able to direct and control certain activities.

The last one is hierarchy, which is the way an organization wants to orient itself as a company. If it decides to have a multi-tiered hierarchy, then they need to see which way they wanted to take that. This helps the company create a chain of command so no one can forget who they report to making the company run smoothly. I think the most important one of these is whether the company wants to create a flat or tall organization. The reason why this is important is because the way the company decides to sort out their management system stems down to what kind of hierarchy they have as well as the span of control. That means that the type of organization is the lynchpin of the entire process.

**Question 5:**

The four areas of control are Just-in-Time Inventory control, Quality control, Statistical quality control, and statistical process control. Just-in-time inventory control is put in place to keep the minimum amount of inventory on site that are needed and to get the supplies that are needed sent just in time to go on the assembly line. This is very risky as it can cut things close and does not confirm that the goods needed will be there exactly when needed just that it will be there when the calculation says it should be. Quality control is based on the idea to produce something the customer wants consistently while reducing errors before and after delivery. Statistical quality control is the process managers use to continually monitor all phases of the product to ensure quality from the beginning. Statistical process control is the process of testing samples of product components at each stage of production and plotting the test results.

These four areas are intertwined in a few different ways. The first way being that they all deal with making sure the product is being produced in a efficient way with no mistakes. This is not always easy as things can go wrong that scrap the whole bunch. The just-in-time method insures that the goods needed to make the product correctly are getting to the assembly line right when they are needed so a quality control issue does not occur. This is a good way to limit the hassle of carrying an excess of goods and makes sure the best goods are always coming in instead of using ones that are outdated or flawed.

Quality control is important because a customer does not want a defective product. That is why managers set up two more types of control being statistical quality control and statistical process control. They both go hand in hand with producing a product that works the way it is supposed to work. Statistical quality control makes sure the product is being built from the start correctly and has the quality from start to finish. Statistical process control makes sure that the product has the great quality the company is looking for at multiple stages. This one is more preferred in my opinion because if you catch a quality mishap quick enough then you can just get rid of it with little cost as to testing it at the end and beginning.

**Why is it necessary for organizations to plan for future human resources requirements?**

The reason why having a plan when regarding human resources is because there is always a need for the middle man for an employee to feel they have someone who is looking out for their well-being. Human resources are the people who filter through applicants and pick the ones that are most qualified to be interviewed. In some cases they interview the individual, so this shows that the department is highly needed in filtering out the people who do not meet the requirements. Human resources receives the applications, do background checks on the applicants and obtain any results from physicals if they are needed. They also take the stress off of the managers of the departments that would otherwise have to do these things if the human resources department did not exist.

The human resources department has five steps related to its planning. The first one is to prepare a human resource inventory of the organization’s employees, such as age, names education, capabilities, and other relevant information. The next step is to prepare a job analysis. The job analysis is what the employees do in their various job titles, so it is basically a job description so they can use it for future hiring. Then they start assessing future human resource demand. This is important because in this step the human resource department is responsible for forecasting the organization’s requirements and train people ahead of time to be prepared for it.

The next step is to assess future labor supply, since you cannot have a good company without a workforce, the job of the human resource department to do this makes them even more important. Then the human resource department must have a strategic plan. In this strategic plan it must lay out how the labor force will be hired and what will be looked at when hiring them. These steps show how important planning for future human resources requirements. The reason it is so important is because the human resources take care of all of the backbone of the company. Without the human resources department the company would not be able to forecast the requirements that are needed to be prepared. Part of their job is to find people to work in their company and screen people who will not fit in their company or the roll they applied for, as well as training people. Without having a plan for future human resource requirements you are dooming the company to be unprepared for what might happen.