

# EBU5402 Enterprise Management

Lecture 1 - Introduction

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## Agenda

- ▶ Introduction to the module
- ▶ Ground rules
- ▶ Module information
- ▶ Warming-up Exercise
- ▶ Introduction to Enterprise Management

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## Ground rules

- ▶ **No chatting** during class
- ▶ Mobile phones on silent - don't distract yourself!
- ▶ **No food**, no eating!
- ▶ Arrive on time!



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## What the module is about & module information

- ▶ Module emphasis
- ▶ QMPlus and Message boards
- ▶ Module text
- ▶ Blended learning
- ▶ Week by week schedule
- ▶ Assessment



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## Module emphasis

- ▶ This is a module aimed at giving students an **initial** understanding of key **business** and **management** concepts
- ▶ They will then be **developed further** both in this module and in subsequent modules taken on all degrees
- ▶ A key point is the application of **theory** to **real-world/industry**, specifically in technology-based industries
- ▶ The case studies and examples used in the module will be representative of the **international** business environment

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## Topics covered

- ▶ The Business environment
  - ▶ External
  - ▶ Internal
- ▶ Firms' structure
- ▶ Economic environment
- ▶ Business strategy
- ▶ Marketing
- ▶ Risk Management
- ▶ Corporate responsibility
- ▶ Operations management
- ▶ Globalisation & international business
- ▶ Financial management
- ▶ Human resource management (HRM)

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## Topics week by week

Week 1	Topic 1	Introduction and External Environment
	Topic 2	Internal Environment and Firms' Structure
	Topic 3	Economic Environment
Week 2	Topic 4	Business Strategy
	Topic 5	Marketing
	Topic 6	Financial Management
Week 3	Topic 7	Operations Management
	Topic 8	Globalisation & International Business
	Topic 9	Risk Management
Week 4	Topic 10	Human Resource Management (HRM)
	Topic 11	Corporate Responsibility
		Revision

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## 2 Lecturers

**Module Organiser:**  
**Nickos Paltalidis**



**Co-Lecturer:**  
**Bing Han**



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## 4 Lecture Groups

Lecture Groups	Lecturer
Telecom Group 1	Nickos
Telecom Group 2	Bing
E-Commerce	Bing

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## 3 Lecture Groups:

- ▶ Same teaching material
- ▶ Same coursework assignment
- ▶ Same exam paper
- ▶ Common & individual discussion forums on *QMPlus*

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## QMplus

- ▶ This is the **official way** module-related materials will be distributed (<http://qmplus.qmul.ac.uk>)
  - ▶ *Check QMPlus regularly*
- ▶ Lecture notes, **in-class exercises** and case studies are available before lectures on the **QMPlus EBU5402 module page**.
- ▶ Coursework Instructions will be available soon on the QMPlus EBU5402 module page.



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## For questions

- ▶ During the class, if you do not understand something **raise your hand** and ask your lecturer to explain.
  - ▶ **NOT during the breaks, not at the end of the class.**
- ▶ Any questions about the topics, groups, coursework, exam please post on QM Plus '**Module Discussion Forum**' and '**Group 1&2 or Group 3 & 4 Forums**' instead.
  - ▶ Questions are likely to be asked by **several** students. All students will be able to see questions and responses
  - ▶ **Do NOT email your lecturer - direct emails to lecturers will be ignored**
- ▶ For any other questions related only to your personal matters or about your coursework marks, please email your lecturer from your QMUL student email accounts ([@qmul.ac.uk](mailto:@qmul.ac.uk)).



## 1-2 Module Representative(s) for each Lecture Group

The main responsibilities of the module representatives:

- ▶ Give an overall feedbacks collected from students about the lectures to lecturer at the end of teaching week
- ▶ Provide quick feedback to lecturers during each teaching week and aim at quicker respond to students
- ▶ Finish the tasks assigned by the lecturer
- ▶ Assist lecturers to prepare the content of revision lecture
- ▶ Attend the SSLC meetings

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## Module Textbooks

Module Textbook:

- ▶ Ebert, Ronald J. and Griffin, Ricky W. (2016) ***Business Essentials***, Global Edition, 11/E, Pearson, ISBN-10: 1292152249

Recommended Reading:

- ▶ Palmer, A. (2011) ***The Business Environment***, 7<sup>th</sup> Edition, McGraw-Hill, ISBN 9780077130015
- ▶ Dyson, J. R. (2010), *Accounting for non-accounting Students*, 8th edition, Prentice Hall; ISBN-10: 0273722972, ISBN-13: 9780273722977
- ▶ Armstrong, Kotler, Opresnik (2016) ***Marketing: An Introduction***, Global Edition, 13<sup>th</sup> edition Pearson; ISBN-10: 1292146508/ISBN-13: 9781292146508



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## Blended learning

Monday to Friday:

- ▶ **80 minutes:** lectures;
- ▶ **20 minutes:** in-class exercises and case studies.

*\* There will also be 1-hour-long 'office hour' per teaching week for 1-to-1 Q&A time with the lecturer. Specific time slot will be announced on QMPlus in TW1.*

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## Before attend the lectures

- ▶ **Read** the lecture notes and direct reading materials **before** you attend the lectures!
- ▶ At the end of each lecture notes, you will find info about the Direct Reading
- ▶ At the end of each chapter in the core text, you will find a list of **key terms** which are important for this module
- ▶ 'Glossary' on QM+
- ▶ Other sources:
  - ▶ Oxford Dictionary of Business & Management
  - ▶ Online dictionaries/glossaries, e.g. Goldman Sachs at [http://www2.goldmansachs.com/hkchina/dictionary/phonetic/phonetic\\_a.html](http://www2.goldmansachs.com/hkchina/dictionary/phonetic/phonetic_a.html)

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## In-class exercises and case studies

- ▶ **Prepare** your in-class exercises/case studies **before** you attend the lectures!
- ▶ We want you **all** to join in thinking about these and taking part in the discussions
- ▶ Sometimes there are no absolutely '*right*' answers. Much of management is about using your **judgement** about which answer is most appropriate
- ▶ Only by taking part in the activities, you will be able to gain and build up your **skills**

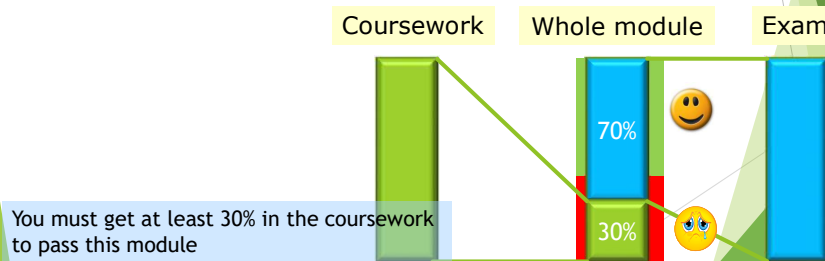


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## Assessment

- ▶ Will be based on
  - ▶ Coursework - worth 30% of your marks
  - ▶ Exam - worth 70% of your marks
- ▶ You must get at least 30% in the coursework to pass this module
- ▶ You must get at least 40% for the whole module to pass



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## Coursework

- ▶ **Group-based** company evaluation and report
- ▶ Create one group of **5 members** (all the members should be students of the same class group), and choose your group leader.
- ▶ Further details can be found in the course page of **QMPlus** which can be accessed from your individual home pages
- ▶ **30%** of overall mark and remember you must get 30% in the coursework to **pass** this module
- ▶ **Submission deadlines:**
  - ▶ Part A (25%): **2<sup>nd</sup> Nov.**
  - ▶ Complete version (75%): **14<sup>th</sup> Dec.**



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## Exam

- ▶ 2 hours
- ▶ You're required to answer **ALL 3 COMPULSORY QUESTIONS**
- ▶ **70%** of overall mark
- ▶ **Past papers** will be added to the QMPlus EBU5402 web page later in the semester. (Note: Refer to the style of the questions only, as the format may have changed.)



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## Exam format

The exam questions will be using the structure below:

- ▶ Q1 & Q2: (30% each)
- ▶ Q3: case-study based questions (40%)
  - ▶ The case study will be given to you a few days before the exam, so that you will have sufficient time to read and think about the case beforehand.

EBU6606 - revision

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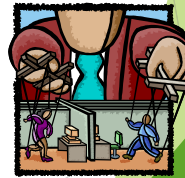
## Questions?



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# Introduction to Management



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## The big question

Why do engineers-to-be need to  
study business and management?



## The big question

You need to study this module in order to

- Understand the basic **concepts** and principles of management
- Build your business **vocabulary**
- Develop your workplace **skills**
- Learn about various forms and functions of technology **organisations**
- Appreciate today's business **careers**



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## Management and managers

- ▶ What is management?
- ▶ What do managers **do**?
- ▶ What **skills, styles** and **capabilities** do they need?
- ▶ How do managers **learn** and develop?
- ▶ Why **study** management as a discipline?
- ▶ Can management **theories** enhance learning and enlighten **practice**?

What do you think?  
Give us your views



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## Management: a process

**Management** is a process of achieving organisational **objectives** within a changing environment, by **balancing** efficiency, effectiveness and equity, obtaining the **most** from limited resources, and working with and through **people**.

Let's look at those a little more...

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## Management: a process - objectives and balance

1. Achieving organisational **objectives** within a changing **environment**
  - ▶ An objective is a **target** or aim to be striven for
  - ▶ In this course, you'll find out that an organisation, or an individual, is more successful if they seek outcomes that are both **challenging** and **achievable**
  - ▶ Managers, especially senior managers, spend a great deal of their time, learning about the changing **environment**
2. **Balancing** efficiency, effectiveness and equity
  - we'll look at these later

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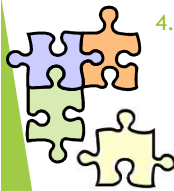
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## Management: a process - resources & people

### 3. Obtaining the most from limited **resources**

- Recognizing that resources are limited is more than a question of using them most **efficiently**
- Where materials are scarce, **innovation** may be needed
- This means **adapting** products or processes to use fewer or alternative resources



### 4. Working with and through **people**

- Management is primarily a **social** process, often defined as 'getting things done through people'
- There's a danger of presenting management as a set of **techniques**, such as for optimising plans, but eventually, **people** put all plans into effect

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## Business vs. non-profit organisations

### Business

- ▶ An individual or organization that tries to earn a profit by providing products that satisfy people's needs
- ▶ Examples are IBM and Coca-Cola



### Non-profit organisation

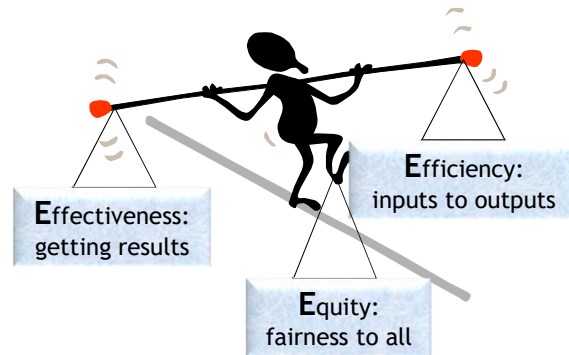
- ▶ Provides products, especially services, for some purpose other than profits
- ▶ Examples are
  - ▶ Social/Religious - such as The Red Cross
  - ▶ Colleges & universities - such as QMUL



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## Balancing the 3 Es



Trying to achieve 3 Es of the management balance is a dilemma. Success against one criterion is often at the expense of another

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## The 3 Es - Efficiency

- ▶ **Efficiency** is a measure of how well input resources are transformed into outputs
- ▶ For example:
  - ▶ Washing machine suppliers state that their washing machine can save energy
  - ▶ By using less water/electricity, their washing machine can wash more loads than other brands for the same cost
- ▶ Similarly, a more efficient **factory** can produce more goods from less labour and/or raw material



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## The 3 Es - Effectiveness

- ▶ **Effectiveness** is an assessment of how far a stated **objective** is achieved
- ▶ Often, a focus on '**getting the job done**' is important, e.g. when managing a crisis
- ▶ War, the ultimate crisis, requires leaders who believe in 'winning at all costs'
- ▶ But even in such circumstances, good generals consider how to **conserve** and **deploy** their resources

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## The 3 Es – Effectiveness or Efficiency?

- ▶ A leader's **overemphasis** on effectiveness leads to a **loss** of efficiency
  - ▶ Resources are **wasted**
- ▶ On the other hand, **too much** stress on efficiency may mean that the task may **not** get done at all
- ▶ The right **balance** is a management decision

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## The 3 Es - Equity

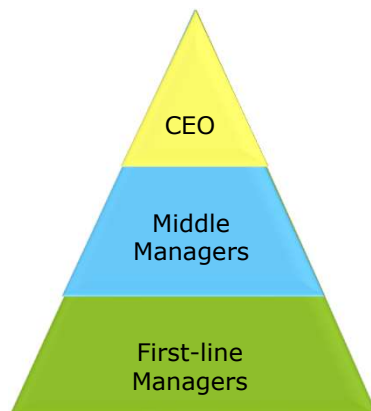
- ▶ **Equity** is the third ingredient of the mixture of Es
- ▶ This concerns the **fair distribution** of outputs among recipients
- ▶ Many **public** and **not-for-profit** organisations place equity at the core of their objectives
- ▶ Can you think of examples?
- ▶ **Hospitals** and **social workers** try to treat their clients equally, according to their needs



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## Looking at managers - management levels

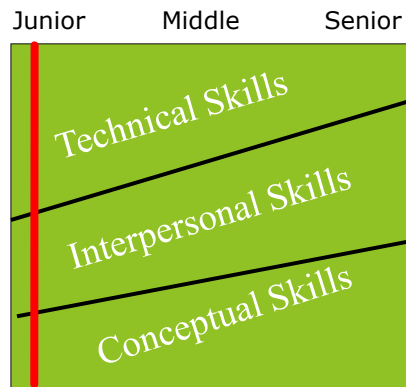


- ▶ There are 3 basic management levels in most organisations
- ▶ Top-level management
  - ▶ president, executive vice president
- ▶ Middle managers
  - ▶ chief engineer, division head etc
- ▶ First-line managers
  - ▶ foreman, supervisor, section chief

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## Looking at managers - skills



Management Skills  
Composition

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- ▶ The higher you move up in management
  - ▶ less technical skills are required
  - ▶ but more interpersonal and conceptual skills are needed

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## Managerial Roles (What Managers Do)

- ▶ The roles of managers fall into 3 groups
  - ▶ Interpersonal
  - ▶ Informational
  - ▶ Decisional



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## Managerial roles - interpersonal role



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### ► Figurehead role

- Handles outward relationships
- Embodies legal authority; leads formal duties, e.g. signing documents, accepting visitors

### ► Leader role

- Downward relationships
- Motivates others to do their jobs

### ► Liaison role

- Horizontal relationships in company

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## Managerial roles - informational role

### ► Monitor Role

- Collects information about internal operations and external events

### ► Disseminator Role

- Transforms information internally to everybody in organization (like a telephone switchboard)

### ► Spokesman Role

- Public relations



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## Managerial roles - decisional role

- ▶ **Entrepreneurial Role**
  - ▶ Initiates changes, assumes risks, transforms ideas into useful products
- ▶ **Disturbance Handler Role**
  - ▶ Deals with unforeseen problems and crises
- ▶ **Resource Allocator Role**
  - ▶ Distributing resources
- ▶ **Negotiator Role**
  - ▶ Bargains with suppliers, customers etc in favour of their enterprise



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## Management - is it an art or a science?

- ▶ Management has a body of specialised knowledge
- ▶ This knowledge need not to be obtained in formal disciplined programs
- ▶ The study of management involves an interplay between theory and practice



Management is somewhere  
between art and science



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## Theories in management

- ▶ **Descriptive** theories - the world as it is
  - ▶ e.g. 'multinational enterprises **usually** have decentralised personnel functions'
  - ▶ This makes **no judgement** and recognises that there is never a best way that applies in all cases
- ▶ **Prescriptive** theories - the way the world **ought** to be
  - ▶ e.g. 'multinational enterprises **should** decentralise their personnel functions'
  - ▶ This tells all organisations in a particular category **what is best**

Many managers prefer to be prescriptive

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## In-class Exercise 1

- ▶ Please **download** (e-copies will be fine, don't have to print them out) Apple and Cisco's annual reports for 2017 from EBU5402 web page on QM+.
  - ▶ **You need to do this before the lecture**
- ▶ You will be asked to go through this in-class in groups, please consider/discuss your answers before the lecture



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## In-class Exercise 1

- ▶ Who might the **suppliers** to these organisations be?
  - ▶ Cisco
  - ▶ Apple
- ▶ What are the **inputs** to this organisation?
  - ▶ Cisco
  - ▶ Apple
- ▶ What are their **outputs**?
  - ▶ Cisco
  - ▶ Apple
- ▶ Who are their **customers**?
  - ▶ Cisco
  - ▶ Apple
- ▶ What are the **external factors** affecting each of these organisations?
  - ▶ Cisco
  - ▶ Apple



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## Directed Reading

- ▶ Detailed directed reading list can be found on QMPlus
- ▶ Recommended resources:
  - ▶ *Financial Times (English edition please)*
  - ▶ *Wall Street Journal*
  - ▶ *The Economist*
  - ▶ *Forbes*
  - ▶ *Bloomberg Business Week*

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