# M1 Illustrate the information flow between different functional areas

For M1, you need to produce a clear, detailed; comprehensive information flow diagram showing the flow of information between the different functional areas in your company.

Finance

Local newspaper

Poster

Websites

Internal- Marketing

Profit

Wages

Rent

Elegant Produire

Business rates

Council

Human Resources

Staff/Employee and Managers information

Customer Information

Government

Health and safety

Inspections

Taxes

Marketing

Human Resources

Finance

Council

Government

**Human Resources-** Human resources role is to manage all the information for the employees, customers and employers. They ensure the working environment is safe and eligible to work. They recruit new candidates for the job, if there are any vacancies and provide training for the candidates. Also, they can make people redundant, if costs are too high. They raise alertness of workplace legislation.

This all links to the functional areas stated above; *finance, government, marketing*. **Finance** links to HR, because HR needs to information of how much wages/salaries they get and finance needs the details of the employees.

Also it links to **marketing,** because if my business is being promoted. They would need information where to contact me if there is any vacancy. HR links to **government,** because taking off taxes the employee’s salaries; they would need the employee’s details of how much they are getting paid, name, and address.

**Government-**In the UK government the national citizens elect a new government after 5 years. They’re main aim is to have low employment, lower prices and high income. They take of taxes for employee’s salary. They take of the following taxes:

* Income Tax
* Corporation Tax
* **Value Added Tax**
* Business tax

These taxes that are mentioned, they take these off monthly. ***Value Added Tax (VAT)*** is a percentage where it’s added to products in a business. This is not a tax that is taken of employees or employers. This is added to the product for the price to increase. That amount that is added goes to the government. For example, if a suit is worth £150 they will add 20% VAT on that. Therefore, prices will increase. ***Corporation Tax*** is tax where is taken off if a business is making profit. ***Business Tax,*** collected by the local council, collects rates from firms.

These all links to my business, because the taxes taken off have been taken off my business. It’s what the government are there to get. **Finance** links to government as they need the formation to find out how much income they are receiving.

**Council** links to the government because if an employee has an accident, they will go to the council to achieve medical help. More businesses that keeps intact of profit, the better for the government. This is because the government take of taxes from the businesses. They will be wealthier if the businesses are successful.

**Human Resources** links to the government, because all the taxes mentioned above either needs to be taken off the business, employees or employers. They will need the information of the employees of how much they are receiving termly, weekly and yearly.

**Marketing** is the promoting and selling products/services. Marketing links to *Finance and Human Resources.*

This links to **finance,** because Marketing needs money to advertise and finance needs information on how much they are spending, whether it’s too much for the cash flow or not. For example if a business wants to advertise to the local newspaper, they would need the money from the finance department, how much it is- is it instalments or one price.

Finally **Human Resources** link to Marketing, because if an employer wants to promote its business, marketing department would need his information from the HR department.

**Finance** manages all the money such as;

* *Wages of employees*
* *Create financial accounts*
* *Pay creditors*
* *Profit*
* *Rent*
* *Income of business*
* *Outcome of business*

They manage all of the mentioned above. This links to ***Marketing, and Government.***

**Marketing** links to finance, because if the Marketing department market their product through leafleting, they would need to contact Finance department to sort out the payment.

**Government** links to finance, because they need to tax all the employees’ salaries. They would need the information of how much they get yearly so the government could contact the finance department of how much the employees needs to be paid.

**Council** role is to set out health and safety regulations for the businesses employees to be safe around where they work. If they have any problem, they go to the council about any work conditions set. They also collect business rates from the government. This is only collected if the property is rented from the government.

This links to ***government,*** because the business rates that are collected go to the government. So, they would need to communicate with each other to exchange information.