

UNIT 15: MANAGING BUSINESS ACTIVITIES TO ACHIEVE RESULTS



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» UNIT 15: MANAGING BUSINESS ACTIVITIES TO ACHIEVE RESULTS



LO1: UNDERSTAND THE IMPORTANCE OF BUSINESS PROCESSES IN DELIVERING OUTCOMES BASED UPON BUSINESS GOALS AND OBJECTIVES.



» THE BASIC SYLLABUS



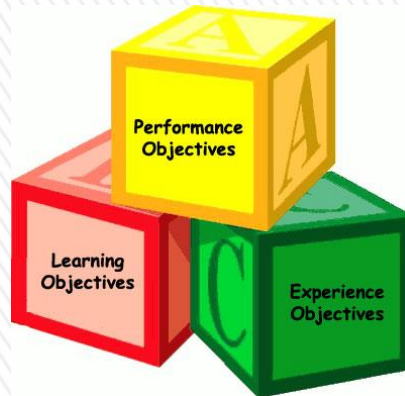
1. Understand the importance of business processes in delivering outcomes based upon business goals and objectives.
2. Be able to develop plans for own area of responsibility to implement operational plans.
3. Be able to monitor appropriate systems to improve organisational performance.
4. Be able to manage health and safety in the workplace.





» LEARNING OBJECTIVES

- » Understand the importance of business processes in delivering outcomes based upon business goals and objectives.



- » At the end of the class the students should be able to:
- » Evaluate the interrelationship between the different processes and functions of the organisation

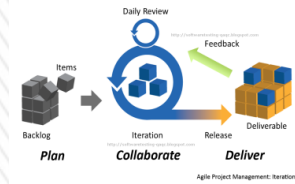




» OVERVIEW

- » You probably use dozens of business processes every day.
- » For example, you may go through the same steps each time you generate a report, resolve a customer complaint, contact a new client, or manufacture a new product.
- » You've likely come across the results of inefficient processes, too. Unhappy customers, stressed colleagues, missed deadlines, and increased costs are just some of the problems that dysfunctional processes can create.
- » That's why it's so important to improve processes when they are not working well. In this unit, we'll look at how you can do this.





- » **EVALUATE THE INTERRELATIONSHIP BETWEEN THE DIFFERENT PROCESSES AND FUNCTIONS OF THE ORGANISATION**
- » A functional business orientation organizes a company along functional lines, such as sales and production. A process orientation means that the company focuses on business processes, such as order processing or strategic planning. In each case, the companies optimize their activities, either within the functional units or for each process. The main difference is that optimizing one functional unit may harm another function, but optimizing the business processes across organizational lines helps the whole company.





» Organisational Structure

- » Any operating organisation should have its own structure in order to operate efficiently. For an organization, the organizational structure is a hierarchy of people and its functions.
- » The organisational structure of an organisation tells you the character of an organization and the values it believes in. Therefore, when you do business with an organisation or getting into a new job in an organisation, it is always a great idea to get to know and understand their organisational structure.





» Organisational Structure

- » Depending on the organisational values and the nature of the business, organisations tend to adopt one of the following structures for management purposes.
- » Although the organisation follows a particular structure, there can be departments and teams following some other organisational structure in exceptional cases.
- » Sometimes, some organisations may follow a combination of the following organisational structures as well.



» Organisational Structure



» Bureaucratic Structures

- » Bureaucratic structures maintain strict hierarchies when it comes to people management.

» Functional Structure

- » The organisation is divided into segments based on the functions when managing. This allows the organisation to enhance the efficiencies of these functional groups. As an example, take a software company.

» Divisional Structure

- » These types of organisations divide the functional areas of the organisation to divisions. Each division is equipped with its own resources in order to function independently. There can be many bases to define divisions.





» Organisational Structure

- » Hierarchical Organisation
- » A hierarchical organisation follows the layout of a pyramid. Every employee in the organisation, except one, usually the CEO, is subordinate to someone else within the organisation. The layout consists of multiple entities that descend into the base of staff level employees, who sit at the bottom of the pyramid.
- » Flat Organisation
- » A flat organisation refers to an organisation structure with few or no levels of management between management and staff level employees. The flat organisation supervises employees less while promoting their increased involvement in the decision-making process.



» MISSIONS



- » A mission statement defines what an organization is, why it exists, its reason for being. At a minimum, your mission statement should define who your primary customers are, identify the products and services you produce, and describe the geographical location in which you operate.





» AIMS

- » An aim can be slightly vague. It can be a general statement. Aims are what you want to achieve and an aim is more abstract and it need not be time bound.
- » For example, an aim for a company would be to increase sales



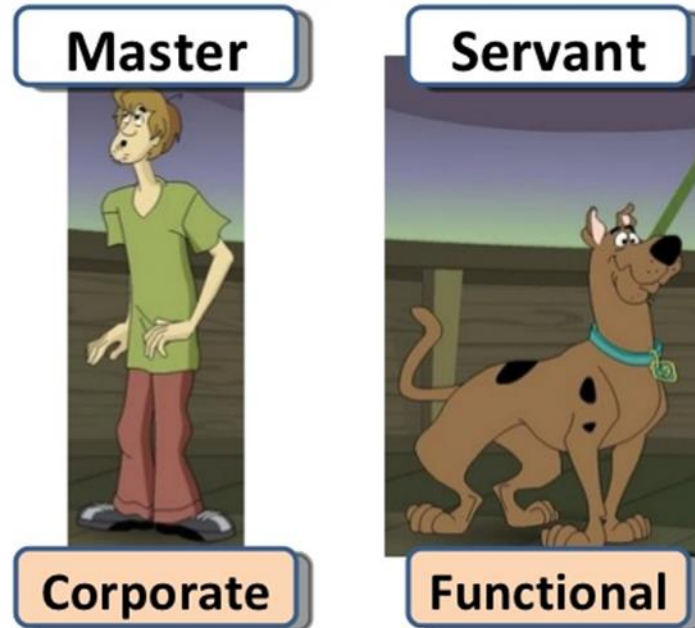
OBJECTIVES



- » An objective is SMART in character. “SMART” stands for specification, measurement, accuracy, reason and time.
- » Objectives are what you will do to achieve your aim . An objective is more specific in character, and also an objective is time-bound whereas an aim need not be.



Corporate v Functional Objectives





» CULTURE

- » Culture is the way of life of a particular society or group of people, including patterns of thought, beliefs, behavior, customs, traditions, rituals, dress, and language, as well as art, music, and literature.
- » Culture is shared values and beliefs in a given group.
- » **Components of culture**
 - » 1. Set of norms of behavior
 - » 2. Shared values and beliefs
 - » 3. Symbols and symbolic action





» ORGANISATIONAL PYRAMID



» TYPES OF BUSINESS

» PROCESSES



Figure 1.6 Types of Business Processes (Management: business essential viva books Pvt ltd)



» Paints Ltd Case Study

- » Paints Ltd is Jamaica's largest paint company in the public sector and a quoted company on the stock exchange and White Ltd being its benchmark, which deals in manufacturing decorative coatings which means that they are into secondary sector who deals into manufacturing the output of the primary sector.
- » Paints Ltd operates in 22 countries and has 30 paint manufacturing facilities in the world servicing consumers in over 65 countries. The company was incorporated in the year 1942 in Jamaica. Paints Ltd have extensively computerized its operations in Jamaica using the cutting edge solution. It helped the company drive benefits of faster market analysis for better decision making.





» Paints Ltd Case Study

- » Paints Ltd. has a combined turnover of \$900 million US dollars with its strong presence in Jamaica, South East Asia, Far East, South pacific India , Africa & Europe. Along with Paints Ltd the group consists of BCIC chemicals, Coat International & TSVW coatings. Together the group has 30 manufacturing unit globally.
- » They have the highest number of range of product portfolios in the industry of chemicals, Paints & Resin manufactures.
- » They are as follows Exterior walls (4), Interior walls (10), Enamels (4), Wood finishes (4)





» REVIEW QUESTIONS

- » Required:
- » 1. Classify the following statements into Mission, Vision and Values in respect of Paints Ltd:-
- » To become one of the top five decorative coatings companies 'worlds-wide by leveraging in the higher growth emerging markets.
- » Trust, openness, commitment, customer satisfaction, value for money quality, Growth Orientation and integrity.
- » To provide paints as per demand, ensuring desired level and quality of customer (dealer) service, continued availability of the right product mix of quality at the right time.



» REVIEW QUESTIONS



- » 2. Develop a business objectives of Paints Ltd.
- » 3. Paints in 2013 was using a tall& formal hierarchical structure after reviewing their performance with their competitors that saw they were lagging behind as the system was very centralised and bureaucracy. Management has decided to adopt a more decentralised structure and a flatter (functional) structure which is more flexible.
- » Develop a flat organisational structure of Paints Ltd.





» REVIEW QUESTIONS

- » Using the following positions:-
- » Chairman DGM Admin
- » Chief Executive/MD SR Purchase Executive
- » Mgr Excise DGM Purchses
- » Chief GM operations GM Production
- » SR MGR Sales Admin MGR Maintenance
- » DGM Accounts MGR Personnel & Admin
- » ENV & Safety Officer EDP Manager
- » GM Planning/MKT/Quality assurance



» Review Questions



- » 4. Develop a Business processes that can be used by Paints Ltd.
- » 5. The activities of an organisation have to be managed and coordinated to ensure that its objective are met. The organisation's structure is designed to support this.
- » (a) What is meant by the term 'organisational structure,' often shown as an organisation chart?





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