

Unit 3 Management Activities: Rapid Revision

1. List the three Management Activities

1. Planning
2. Organising
3. Controlling

2. Write the correct form of Planning beside its definition.

Tactical Planning	This is short-term planning which breaks the strategic plan into shorter more manageable periods, generally 1-2 years which is important as it helps the business achieve the strategic plan. It is usually drawn up by middle management.
Contingency Planning	This is back-up planning to cope with emergencies/ unforeseen events and unexpected circumstances. It is important to prevent disruptions to business and thereby prevents potential loss of profits and possible business collapse.
Strategic Planning	This is long term planning covering a period of five years or more. It is usually drawn up by senior management and it outlines how the long term goals of the firm are to be achieved. Ideas are taken from the Mission Statement for them. It is important as it gives a long term picture and focus to work towards. The general outline is 5 years +.
Financial Planning	This would involve preparing financial statements like Cash Flow Forecasts to predict the amount of income they will take in and expenditure they may have over a particular period of time.
Operational Planning	This is the planning for the day-day running of the business, for example incorporating the annual marketing plan.
Man power Planning	This would involve having the right people with the right skills in the right place throughout the business. It involves doing a human resource audit and estimating future human resource needs.

3. Provide a SWOT Analysis for Starbucks below:

Definition: Used to evaluate a business when making a strategy as part of planning process. It consists of Strengths + Weaknesses (Internal), and opportunities and threats (External).

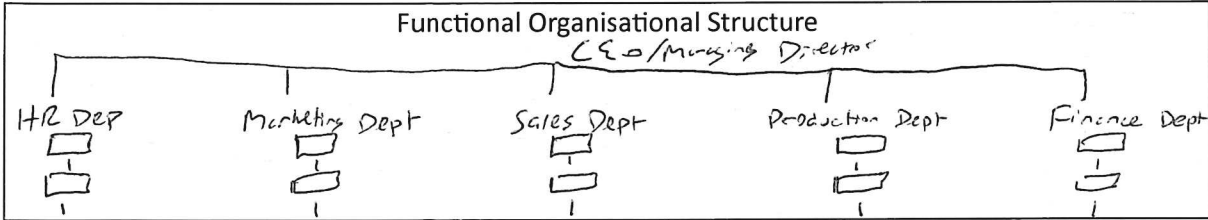
Answer each point like this 2 points on each

<p>S State :- Explain</p> <p>Brand name! - Strong brand name and logo recognised worldwide.</p> <p>Strong Supply chain / Ethical practices / Easy to launch new products / Atmosphere</p>	<p>W - Premium prices</p> <p>- High staff turnover</p> <p>- Little customisation</p> <p>- Limited Food menu</p>
<p>O</p> <p>- Mobile shops in busy workplaces</p> <p>- Promotion - (Sponsorship, celebrity endorsement etc)</p> <p>- Expansion</p>	<p>I - Cost of Living</p> <p>- Competition</p> <p>- Healthy Culture</p>

4. List the four elements of Control.

1. Stock	3. Credit
2. Quality	4. Financial

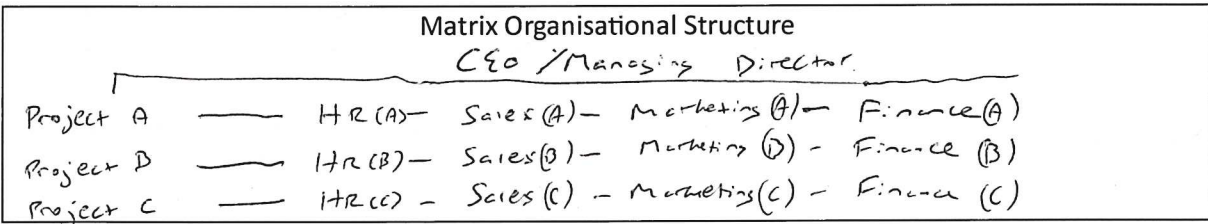
3. Draw a Functional Organisational Structure below and list two benefits and two challenges.



Benefits	Challenges
Chain of Command clear - everyone knows who to report to	Communication between departments can be slow - can often lead to misunderstandings.
Clear communication channels means important communication relevant to department can be shared quickly.	Coordination of activities difficult as organisation sets bigger - top management need to delegate which may not suit all staff.

Others:- Clear promotional path / Department Specialisation

4. Draw a Matrix Organisational Structure below and list two benefits and two challenges.



Benefits	Challenges
Brings new/fresh ideas:- personnel can bring new ideas + more efficient ways of completing tasks.	Decision making can be slow - may have to take lots of opinions on board.
Responsibility shared - this means all team members will have an input - feel valued.	Difficult to coordinate - hard to get different members from different teams together.

- learn new skills & expertise

- Congestion point of resources/capital - where money should be spent

5. Explain what is meant by the following terms:

Chain of Command: Clear lines of authority exist and employees know who to report to. Instructions flow downwards and accountability flows upwards.
Span of Control: The number of subordinates that report directly to a manager. It can be wide/narrow - depends on trust, nature of job, management style etc...