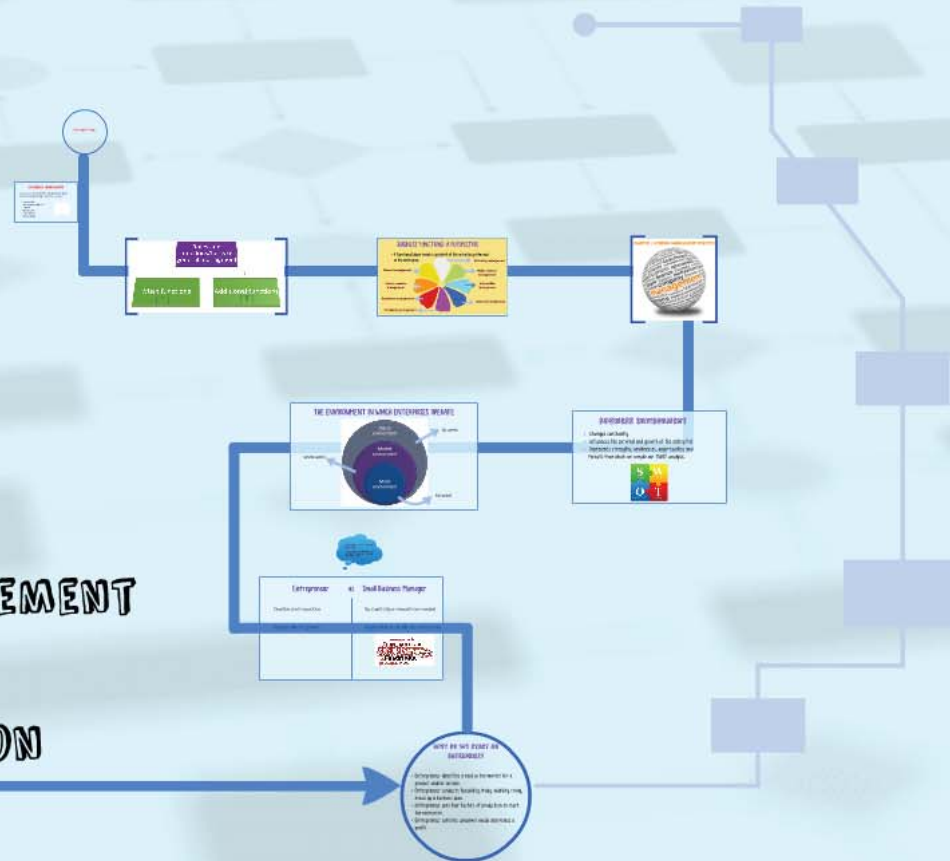


# INTRODUCTION TO BUSINESS MANAGEMENT FOR THE ENTREPRENEUR & THE GENERAL MANAGEMENT FUNCTION

Chapter 1 & Chapter 2



## WHY DO WE START AN ENTERPRISE?

- Entrepreneur identifies a need in the market for a product and/or service.
- Entrepreneur conducts feasibility study, viability study, draws up a business plan.
- Entrepreneur uses four factors of production to start the enterprise.
- Entrepreneur satisfies consumer needs and makes a profit.

# Entrepreneur

vs

# Small Business Manager

Creative and innovative

No creativity or innovation needed

Responsible for growth

Responsible for profit and survival only



# ENTREPRENEUR

- Spots opportunities, organise resources & create new enterprise.
- Vision, business skills, courage to take risks, possess leadership qualities to overcome problems.
- Manages change by introducing new products and deciding which risks to take.

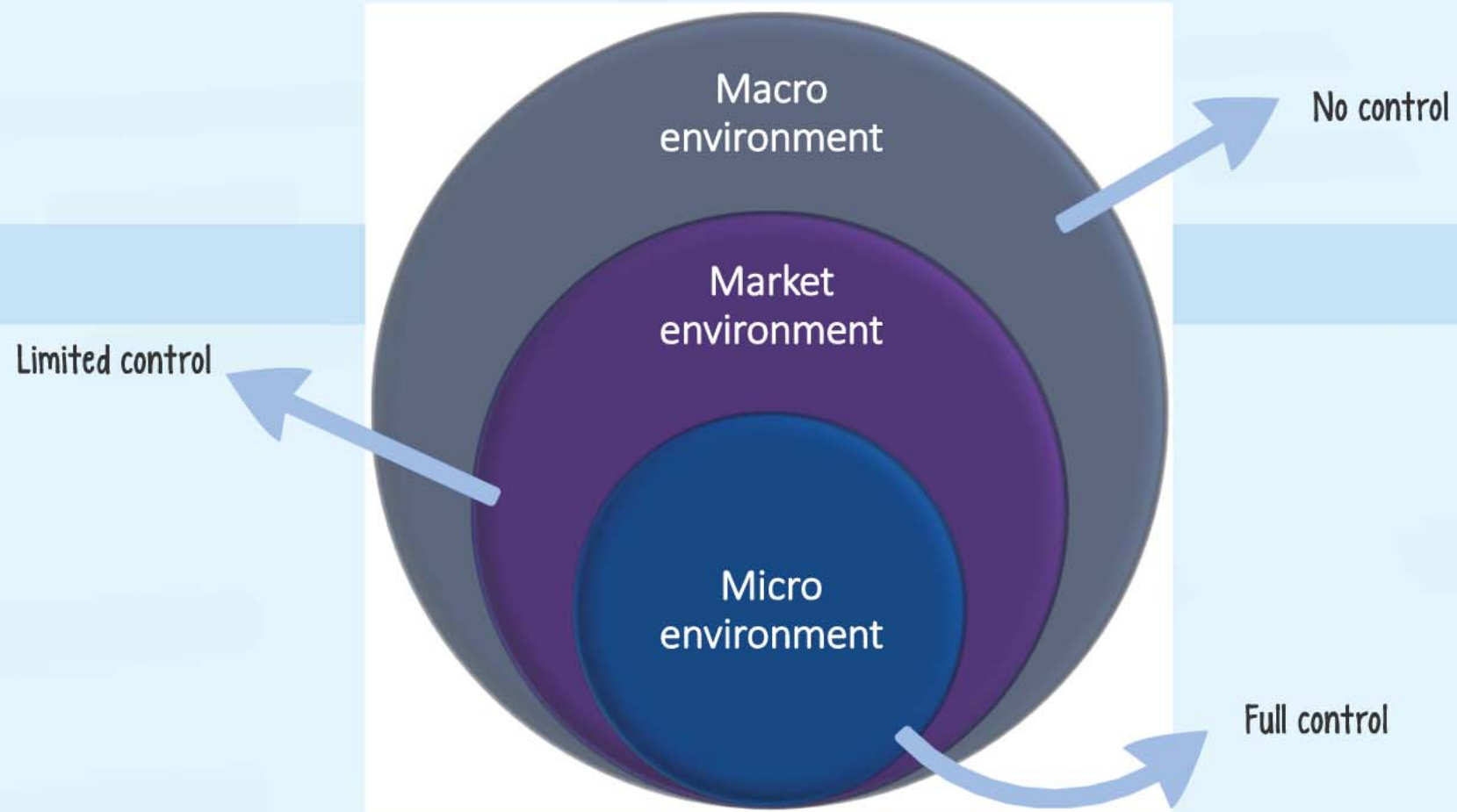
# BUSINESS MANAGER

- Small business managers manage - ensuring the enterprise achieves goals and objectives.
- Manages day-to-day activities including tasks in all functional areas of the enterprise.

Entrepreneurship and small Business management go hand in hand!

The entrepreneur and the small business manager can be one and the same person, it only depends on the type of enterprise.

# THE ENVIRONMENT IN WHICH ENTERPRISES OPERATE





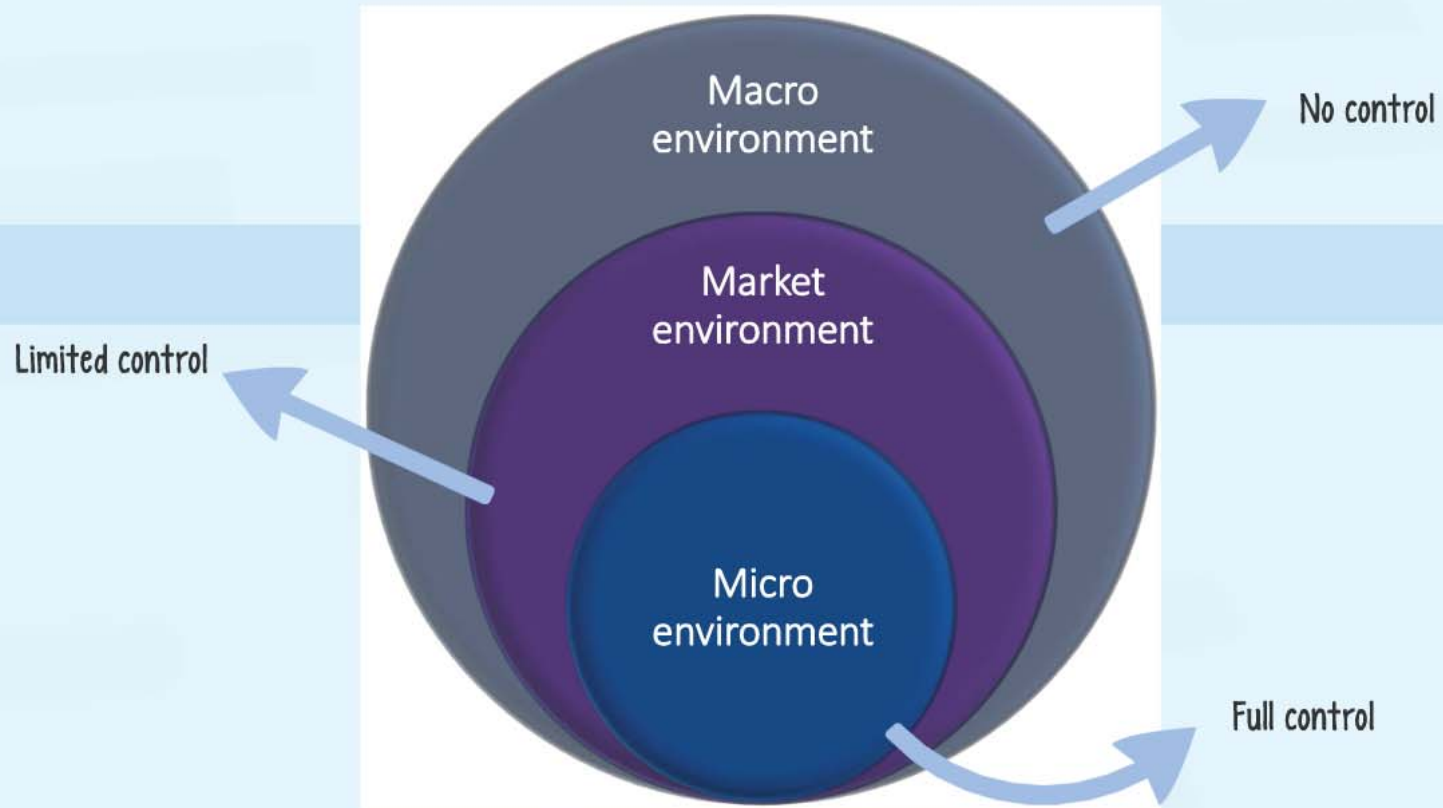
# MICRO ENVIRONMENT

- Vision, mission & objectives
- Controlable
- Functions of the enterprise
- Factors of production
- Strengths & weaknesses





## THE ENVIRONMENT IN WHICH ENTERPRISES OPERATE



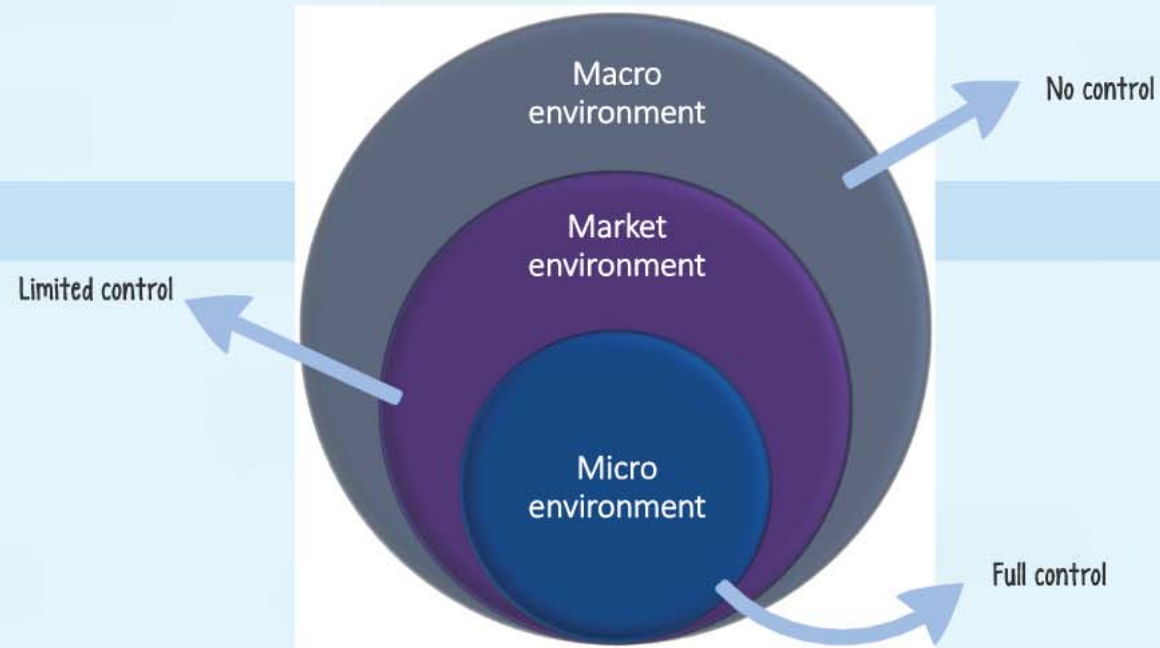
# MARKET ENVIRONMENT

- Consumer behaviour & needs
- Limited control
- Purchasing power
- Suppliers
- Intermediaries
- Competitors
- Opportunities & Threats



# MARKET ENVIRONMENT

## THE ENVIRONMENT IN WHICH ENTERPRISES OPERATE



Entrepreneurship and small business management go hand in hand.

The entrepreneur and the small business manager can be one and the same person, it only depends on the type of enterprise.

# MACRO ENVIRONMENT

- No control
- Economic environment
- Social environment
- Political environment
- Technological environment
- Physical environment
- International environment
- Opportunities & threats

# BUSINESS ENVIRONMENT

- Changes constantly
- Influences the survival and growth of the enterprise
- Represents strengths, weaknesses, opportunities and threats from which we compile our SWOT analysis.



## CHAPTER 2: GENERAL MANAGEMENT FUNCTION



# THE NEW ECONOMY

## KEY COMPONENTS:

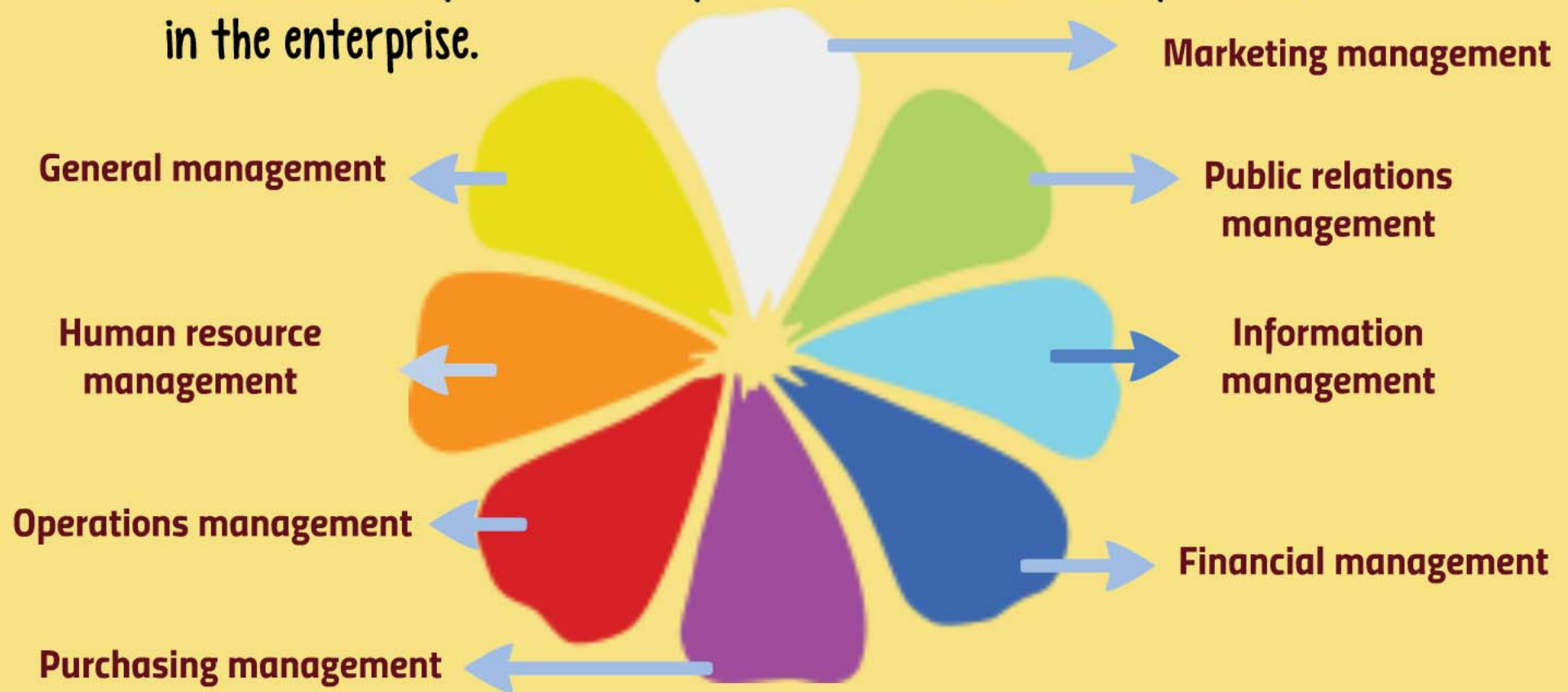
- New communication technologies
- Globalisation
- Knowledge management
- Alliance



**Change  
Ahead**

# BUSINESS FUNCTIONS: A PERSPECTIVE

- 8 Functional departments represent all the activities performed in the enterprise.





# Roles and functions/tasks of general management

## Main functions



## Additional functions

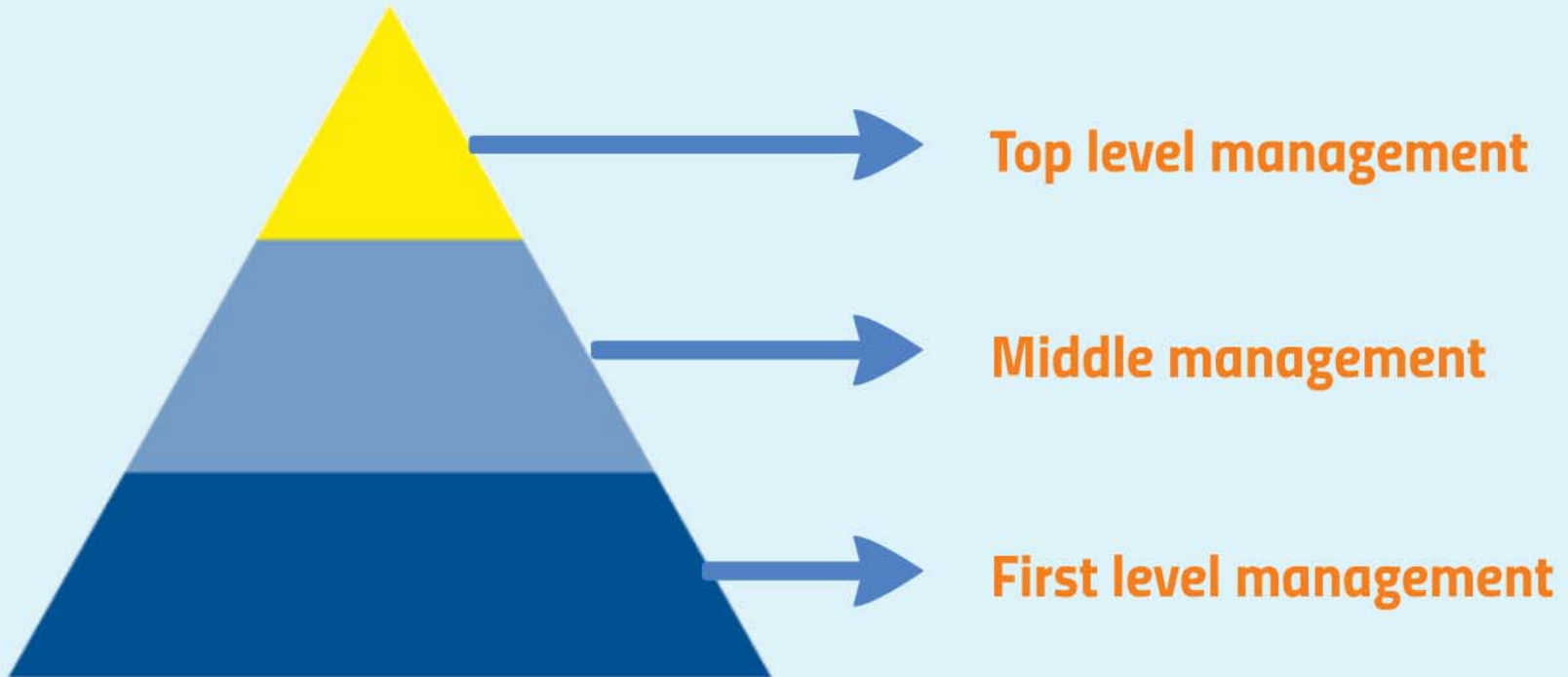


# MAIN FUNCTIONS



## **PLANNING: DEFINITION**

Involves all the management activities that deal with formulating the **objectives** of the enterprise and determining how they can be achieved.



# TYPES OF OBJECTIVES

## OBJECTIVE

- Long-term/ strategic
- Medium-term/ functional
- Short-term/ operational
- Personal/individual objectives of employees

## EXAMPLE

- Delivering a good service to customers
- 5% expansion in market share over next 3 years
- To simplify the work in the administration dept
- Accounting clerk must complete work quickly and accurately

# LEVELS OF PLANNING

TOP	MIDDLE	FIRST
Strategic	Functional	Operational
Long-term	Medium-term	Short-term
Broad general guidelines	Focuses on activities of the enterprise	Daily activities
3 - 10 years	1 - 3 years	1 year or less

# MAIN FUNCTIONS



# ORGANISING: DEFINITION

Deals with the grouping and allocation of activities, the creation of posts and decisions on duties, authority and responsibilities.

Includes the provision of capital and raw materials or stock, the appointment of labour, and the division of tasks.



## MAIN FUNCTIONS





# LEADING: DEFINITION

Guides and motivate employees in such a way that they voluntarily cooperate or work together to achieve the objectives of the enterprise.



# LEADERSHIP COMPETENCIES

1. Management of attention
2. Management of meaning
3. Management of trust
4. Management of self

# Main funct

## MAIN FUNCTIONS



## CONTROL: DEFINITION

Control is exercised when management ensures that its plans and instructions are carried out.

Set performance standards, measure actual performance, compare performance with set standards and take corrective action if necessary.



# Roles and functions/tasks of general management

Main functions



Additional functions



# ADDITIONAL MANAGEMENT FUNCTIONS

- Coordination
- Decision-making
- Communication
- Motivation
- Delegation
- Discipline

# MANAGERIAL COMPETENCIES

To be able to do all the management tasks and to be an effective manager, the following managerial competencies are needed:

- Communication
- Planning and administration
- Teamwork
- Strategic action
- Global awareness
- Self-management

