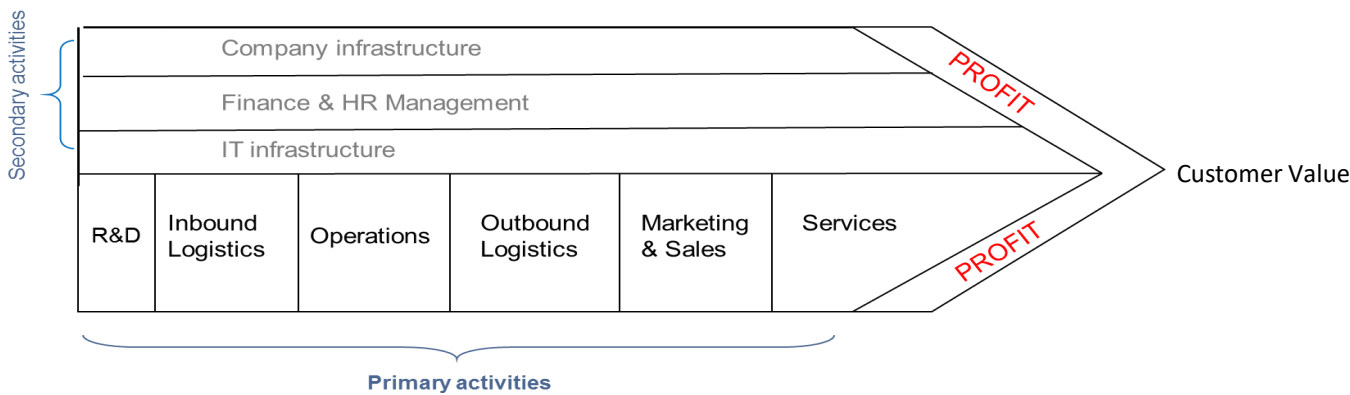
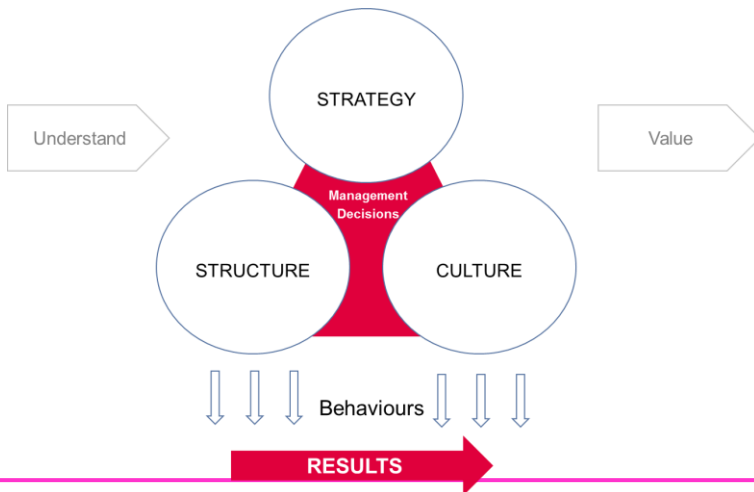


A business is an organization which produces and sells goods (or provides a service) to customers. A business must make profit, the excess the customer is willing to pay, over the costs incurred to make and sell the products. Michael Porter described the activities of a company as the value chain which highlights the activities undertaken to create value in the eyes of a customer:



To create any value however, the management of a company has to understand the customers and has to make decisions on how to formulate the business. Management guru's such as Malik & Drucker agree that there are 3 simple decisions a business has to make:



- 1) **Strategy** is all about planning and getting from A to B, better and faster than the competition, whilst meeting company goals
- 2) **Structure** defines how activities such as task allocation, coordination and supervision are directed towards the achievement of the business strategy
- 3) **Culture** is the values & behaviors that contribute to the unique environment of a business, both managed and assumed (so, "how we do things round here")

## Must Knows

- Management is a process of directing a team to achieve planned objectives

## Must Do Actions

- Planning – Strategy & setting objectives
- Organizing – Time, work, decision making
- Leading – Direction, team building, developing, motivating
- Controlling - Correcting errors, appraisals
- Achieving – Getting the right things done

## Impacts

- Competitive advantage & growth – doing the right things & doing them well
- Clear plans and focus
- Contribution from all
- Accountability