

Teacher's Edition

Plain English

Business Studies

for Year 11

Daffydd Wiesner-Ellix

business
marketing

management

income

revenue

organisations

business success

expenses

sales

profit

vision

plans

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(Plain English) Business Studies – Management and Leadership



The Nature and Scope of “business”

Unit One/ Phase 6: Year 11. **TEACHER’S BOOKLET**



This module

What is your “Y”?

Introduction to “business”

What is and why have
“organisation”?

Basic types of organisation

How do we categorise
business?

Profit and other measures of
business success

In this unit, you will...

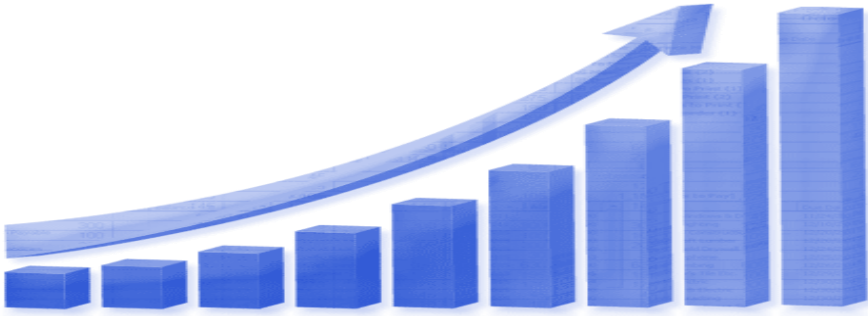
- Discuss the nature of business, its role in society and types of business structure; including profit and not-for-profit organisations.
- Explain the internal and external influences on businesses including the (operating and macro) environments of a business.
- Analyse the responsibilities of business to internal and external stakeholders. The nature of business ethics and socially responsible management; and their potential impact on various stakeholders.
- Plan and conduct investigations into contemporary business issues .
- Evaluate information for actual and hypothetical business situations
- Determine some of the objectives of different types of organisations;
- Determine the distinctions between small, medium and large businesses;
- Assess the contribution of small business to the economy;

Exploring THE WORLD OF BUSINESS

What is “business”? Where did the concept start? Why is it such a dominant force in our world? How would you start a business and why?! What are the costs and what are the benefits? What do we mean by “the bottom line”? What is the “quadruple bottom line”?

What is a “**multi-national**”? How and what do we contribute to the “**global marketplace**”? What is “slave labour”? Does “business” have “moral obligations”.... Or is it all about “profit”?

These are some of the questions that relate to the concept and the operation of what we call **Business**
Read on!



What is business?

Where did **“business”** start? Why did it start?

You may have studied some history. You may know that originally (as far as we can tell) people formed “co-operative” groups. That is, what we might call “villages”. Probably for reasons of safety!

It is likely that as other villages developed and grew, people would grow different crops, maybe keep different animals and they would “trade” with each other. The process was called “barter”. The agreement would be one quantity of “A”, would be exchanged for another quantity of “B”. Both parties would “negotiate” until agreement was reached.

In some parts of the world, this is still expected! Even though the “medium of exchange” is now “money”. So, we find that business has some cultural aspects we may need to consider!

Money, then, became the “medium for exchange.” That is, instead of swapping crops, a “price” could be set. You could negotiate a different price, if you so wished; making sure “parties” agree on a figure. Then the “sale” took place!



Web-search your local area for “Farmer’s Markets” or “produce” markets.

If there is one happening in your neighbourhood (or someone in your group knows of one), arrange with your BOD’s, to go along one weekend. Talk with some of the stall holders. Find out why they use this avenue of marketing their wares. Find out if they have ever considered a more conventional type of “shop—front……. Record your outcomes on the following page.

KEEP AN EYE ON IT Current Industry Trends

What have you added to your “scrap book” this week?

Share it with your BOD’s.

Have your teacher/tutor in on the discussion about what you have found.

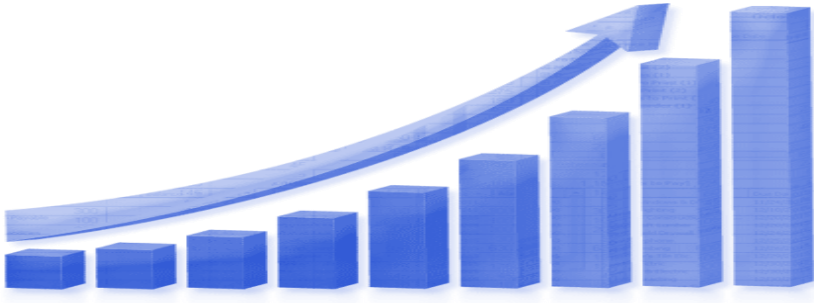
MANAGEMENT SPEAK?

Management Speak:
“You have to show your flexibility!”

Meaning:
You have to do it whether you want to or not.



<http://poormansurvivorblog.blogspot.com.au/2011/07/swap-exchange-barter-get-more-free.html>



Industries, Employment and Income

Catering industry, Liquor & accommodation industry, Restaurants (including Clubs).

Clothing industry (including Footwear manufacturing), Textile industry .

Coal mining industry .

Higher education industry.

Metal and associated industries, Glue and gelatine, Rubber, plastic and cable-making, Vehicle manufacturing.

Mining industry.

Private sector clerical occupation.

Racing industry.

Rail industry.

Retail industry.

Security services.

Agriculture Group.

Agricultural industry.

Wool industry.

Building, Metal and Civil Construction Group.

Building, metal and civil construction industries.

Electrical contracting industry.

Painting industry.

Plumbing industry.

Financial Services Group.

Banking services.

Finance and investment services.

Health insurance industry.

Insurance industry.

Graphic Arts Group.

Graphic arts.

Printing industry.

Information and Communications Technology Group.

Business equipment industry.

Communications industry.

Data processing industry.

Market and business consultancy services.

Telecommunications services.

Manufacturing Group.

Aircraft industry.

Brush and broom making industry.

Furnishing industry.

Chemical industry.

Clay and ceramics industry.

Glass industry.

EYE ON IT

Current Industry Trends

From the list below, pick any two or three

“industries”. Look

through papers and online business

materials. Find out

what you can about

them. How many

businesses in Australia

belong in that industry?

Are they local or

multinational? What

other facts can you find?

Management Speak:

“I’d like your buy in on this.”

Meaning:

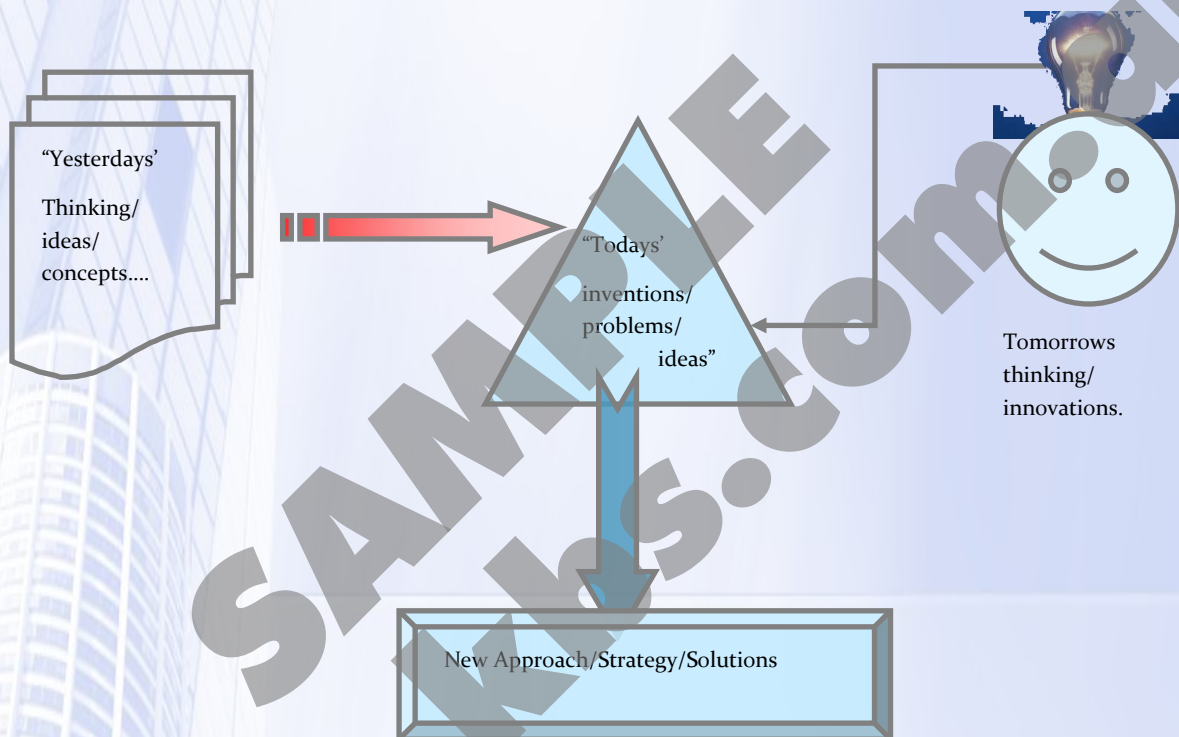
I want someone else to blame when this thing goes wrong!

Innovation and Change (2).....



*With the MAP** exercise, get them to list what they see as the difficulties that they would have to try and overcome!*

Ask them to discuss the Einstein quote: What does this have to do with the exercise that they just carried out?? Was Einstein on the right track??



Your (additional) Notes.

***A MAP (Mind and Perception) Challenge is just that! It puts the students in a situation where they have to move outside of the "conventional thinking" framework. They have to try and embrace a totally different paradigm. Then, once they are in that mindset, construct a series of responses or scenario's. It may take them a little while to get a grip on the concept. However, it is a very powerful tool from a business perspective!*

The Communication Field...

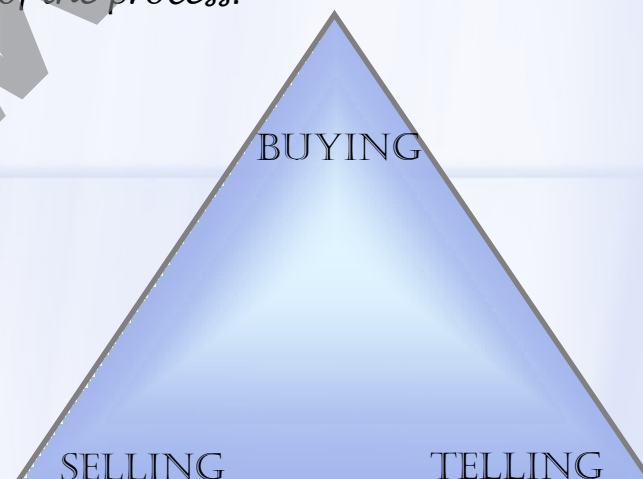


Discuss this idea with the students: The idea of “selling”, “buying”, “telling”. The only time we move away from this process is when we can exert control or force over the other party.... But even then, it is “telling”, but with a finality!

Your (additional) Notes.

Parents can exert this level of tell. Some partners try it on occasions! In a business, the MD may have this power!

Add your examples of the process.




MODULE

Business Development

RESOURCE MATERIALS “profit”

Module Resource 2—The Power & Pain of

DARRELL LEA ADMINISTRATOR CONFIDENT OF SALE

The administrator of Darrell Lea is hopeful of a quick sale, after receiving several unsolicited approaches for the business today. The directors of Darrell Lea Chocolate Shops placed the company in voluntary administration this morning, leaving up to 700 jobs at risk.

PPB Advisory, the same company handling the recent Hastie Group collapse, has been placed in charge of administering the company. In a statement, PPB said Darrell Lea's directors called it in amid concerns about whether the company could meet its ongoing financial obligations.

PPB also said the business will continue operating as usual for the time being, with the owners providing some short-term financial support while the administrators try to sell the company. At a press conference this afternoon, PPB's Mark Robinson said that sale process may be quicker than initially anticipated with approaches from Australia and overseas.

"I'm very confident that there are interested buyers, and I've already received a number of unsolicited responses due to the high media profile just today," he observed. However, Mr Robinson says a sale is no guarantee there will not be job losses.

"It's too early to tell. I've been in there for six or seven hours, obviously our focus is to save as many [jobs] as possible," he added. The Australian Manufacturing Workers' Union's Jennifer Dowell, who represents workers at the company's factory, says her members have been told the company only has enough money to remain open for about five weeks while administrators search for a potential buyer.

"I mean everybody's shocked, they're dreadfully upset. We had no prior warning whatsoever," she said.

Darrell Lea has 69 owned or licensed stores and its products are sold through 1,800 other retail outlets in Australia, New Zealand and the United States. Between its retail network and its factory in Sydney, the company employs around 700 people. The Prime Minister Julia Gillard says she hopes the company can continue trading under a new owner to preserve the historic brand as well as the jobs.

"Darrell Lea is such an icon of a business," she said. "We all know Darrell Lea, we know its products, we've all been into its shops, everybody's probably eaten a lot of their rocky road over the course of their lives - I know I have." Darrell Lea has been selling sweets since 1927 and is still privately owned by the Lea family.


MODULE
RESOURCE MATERIALS
Module Resource 10 : Vision and Purpose and Business

Take a look at these ads. What basis are the companies recruiting on? Is it the Vision of the business, the Missions it is pursuing, or the Tasks they want done?

Get a copy of the paper this weekend. With your BOM, each pick two or three ads.

Ask yourself what are the businesses recruiting on?

If the Vision is meant to inspire people, why do businesses recruit on the basis of "task"????

So..... Here is the "exercise". Take one of the ads you have found, and with your BOD's (and your teachers' help) rewrite the ad, and make up a Vision for that business, that you think would attract the best people for the job!!

Cuttings from the 'Age' newspaper: 7/11/1998

SERVICE & INSTALLATION ENGINEER

- CHALLENGING WORK
- PACKAGE INCL. CAR ALLOWANCE
- CAREER & COMPANY WITH FUTURE!!

Laser Lab International Pty Ltd is a prominent manufacturer of industrial laser systems for advanced manufacturing applications. Business is forging ahead - particularly in export. This job is demanding but rewarding in a secure and progressive international company. Troubleshooting machines.

P.E.K. HUMAN SYSTEMS PTY LTD

10 SALES POSITIONS

Are you looking for a sales challenge where you can learn new skills and have the potential to earn an excellent income. Come and join our young and enthusiastic sales team and you won't look back. Training and transport on the job provided. Great work experience for students and graduates.

For more info call Sarah Between 10am and 6pm on 0412362277 or send your resumes to PO Box 160 West Heidelberg 3084

on-site is at the heart of this role in breakdowns, preventative maintenance, installation and commissioning. You will organise whatever corrective action is needed; mostly electrical/electronic or CNC controller/software related. You will want to make better use of your problem solving skills, you also like autonomy and customer interaction. You should have CNC machine tool experience backed up with post trade electronic/electrical qualifications. Willingness to travel is essential.

Corporate Travel Manager

\$50 - \$60K Package

Are You an experienced Travel Manager capable of handling the management of a key implant account? Have you got high level travel consulting skills in addition to outstanding people management skills? This is a vital hands-on role requiring around the clock responsibility and autonomy and a strong commitment to relationship account management. Do you have what it takes? If so - we would like to talk to you in complete confidence with regard to a Senior role with a high growth Travel Manager

BUSINESS DEVELOPMENT MANAGER

CITY BASED SALARY NEG

TRUE AUTONOMY

Our client is an innovative training Co. concerned with the delivery of flexible training tailored to industry needs. The Company, newly established Melbourne based requires a dynamic, self motivated Manager with business acumen and a proven track record. An ability to build a motivated team designed to meet client services, a knowledge of the current employment services market and national trainers framework would be a definite advantage. An aptitude to source and develop new business opportunities related to strategic goals of the organisation and a sound knowledge of financial reporting and budgeting necessary. Your high level of communication, both written and verbal will be constantly utilised.

SENIOR PURCHASING OFFICER

EXPERIENCED

Compumedics is a world leading manufacturer and supplier of state of the art medical diagnostic equipment. 1998 Exporter of The Year and one of Australia's fastest growing companies. Working closely with Production Manager you will be responsible for purchasing and inventory management during an exciting period of growth and expansion. Experience in electronic component SMT components, computer literate advantage.

NATIO

Aromatherapy

PUBLIC RELATIONS & ADVERTISING MANAGER

'Growing cosmetics company'

Cosmetology cosmetics house (who locally manufacture and market a full range of beauty care based on aromatherapy) is seeking an energetic, self-motivated team player who is results oriented and thrives on a challenge. Reporting to the MD, you will be accountable for increasing brand awareness through media relations, advertising, promotions, sponsorships and writing for various printed materials, media releases and newsletters. Strong communication skills (written & verbal) essential. An attractive package will be negotiated to attract the right candidate. For more information, contact Sarah on 9415 9911 or fax your resume to 9415 9922


MODULE
RESOURCE MATERIALS**MR21: Communicating Effectively—
Core To Core.**

The deeper level at which we occasionally function, is called **core to core**. Again, if we look at the root meaning of words, we find that 'core' comes from the Middle English, (likely derived from the French word "Coeur", which means the heart.) The 'core' of something being it's "heart."

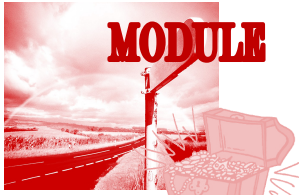
Core to Core, then, is "heart to heart" communication. When we communicate at this deeper level, we get (as Jung would have it) the "chemical reaction", in which both the "reactants" are transformed. Core to Core is "G.O.A.L." communication: **G**utsy, **O**pen, **A**ssertive, **L**asting. To go 'core to core' requires the presence of at least three out of four basic conditions. That is, if it is to be productive and effective. One of these conditions requires a series of behaviours that fit in a particular 'frame.'

The first is, building what we call an "Emotional Trust Account" with the other person (or people). Just like a bank account, an emotional trust account builds up as you put trust in someone! You 'deposit' your trust in the account with them. If they break your trust, you take some out of the account (or maybe a lot!).

It goes something like this: Here is an example with a husband and his wife!

| Reason for deposit/withdrawal | +/- \$\$\$\$ "Trust \$" | Balance (Trust \$) |
|---|-------------------------|--------------------|
| Balance 'carried over' | | 100 |
| Didn't pay phone account, as agreed with spouse | -25 | 75 |
| Remembered anniversary (for once!) | +10 | 85 |
| Forgot to cancel her dentists appointment | -25 | 60 |

Now, this is just a way to show how we build (or break) trust with someone. You are hardly going to go "Core to Core" with someone you don't trust!! Why would you risk it? You may have already experienced what we are talking about here. Had a confidence betrayed, by a so-called, "friend". How quick were you to trust them again???



RESOURCE MATERIALS MR22: Pro-Active Listening.

Now: we have to tread a little carefully here. There are cultural variations that we have (nowadays) to take into consideration. If your school has a teacher that teaches Japanese, Indonesian or Chinese (or another Asian language) it would be well worth inviting them to come and talk to the class about some of the cultural variations that exist in how you “relate” to someone from that culture. For example: Eye contact.

For Western cultures, the following is more the case:

First: To proactively listen, the very first thing to do (more often than not) is to be prepared to initiate the process! *“I have been thinking about what you said.....can you give me some time....I want to re-visit that....”*

Second: Make sure you face the other person. Sit in “open” pose. That is sit slightly forward, and do not fold your arms. So: Step one—turn and face the other person, and say to yourself, ‘this person may have something important for me to know (or understand).’

Step two: Keep good eye contact...but DON'T stare at them. Look them in the eyes, then let your eyes look at their face, shoulders, hands (if they are moving them). Then back to the eyes!

Step Three: Allow a little silence, to make sure the other person has finished what they were saying.

Listen to the words and try to pick up on voice tone etc. You can provide feedback: “So what you are saying is.....have I got that right? Or, “So what you are saying is.....Is that it??”

If you want to attach more importance to what is being said, ask if it is ok to “make notes” - just so you don't miss anything important. When someone is making a point, say, “Let me make a note of that”....and write it down, then repeat it back to them. Once again, saying, “is that right?”

This strategy not only means you have a record of what was said, you can ‘slow things down’. If people are getting hot under the collar, this can be a big help!

THINGS NOT TO DO!

- ✘ Stop listening to what you “think” or “feel”. Focus on the person opposite you. Watch their body language!
- ✘ No “second guessing” what they are going to say. Let THEM say what they want to say!
- ✘ Stay focussed—no daydreaming or “stray-dog” thinking!
- ✘ Avoid judging the content. There will be time for that later! You want all the data first. Remember the old “Detective” saying: “The facts, ma'am..... give me the facts!”
- ✘ Avoid using your own experience as a yardstick: *“I know EXACTLY what you mean...the same thing happened to me 6 months ago!!!”* The other person will be saying, “no, it ain't exactly the same!” AND THEY ARE RIGHT!! It's THEM...this time...NOT YOU!!