

TASK B

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Introduction

In this report I will talk about and describe three functional areas of business. The three functional areas will be linked with how my chosen business Barclay's. The three functional areas I have chosen include Marketing and Sales, Operations and Customer Services.



The above picture is taken from a book called GCSE in Applied Business written by Carol Carysforth, Mike Neild and produced by Heinemann.

Marketing and Sales

Marketing and Sales is responsible for making sure customers know about the business. This may include market research, advertising and sales promotions, the creation and development of a website or web store (although its

maintenance may be undertaken by IT support staff). The sales department is responsible for selling the items to the customer and keeping sales records.

I think my business Barclays does think of marketing as a separate function. Other businesses consider it as fundamental to the way the business operates. This means that every part of the business thinks about the customer first. Operations is concerned with quality and providing goods or services on time. In Barclays Plc I think that finance is concerned with following up queries about accounts promptly. Human resources are concerned with recruiting staff.

Marketing staff always aim to be ahead. They try to identify the future customer needs, and then other departments try to fulfill these. The following quotation is taken from a book called GCSE in Applied Business written by Carol Carysforth, Mike Neild and produced by Heinemann

“A good example of a marketer is James Dyson, who came to the conclusion that vacuum cleaners would be more efficient if they didn’t gather dirt into bags. He therefore invented a bag-less cleaner. The supermarket chains have responded to customers needs by providing wider car parking spaces for families, baby changing rooms and help with packing shopping”.

Businesses undertake a range of activities to help meet customer needs including:

- Market research – identifies customer opinions on proposed and existing products or services
- Promotional activities – to tell customers about the products and services available
- Sales – usually undertaken by trained sales staff who advise customers on the best product or service for their needs and keep records to check the type of goods or services which are sold and which customers.

The contribution of marketing and sales to a business is vital for there is no point in producing goods or offering services that nobody wants to buy. The number of sales directly affects

the profitability of a company.



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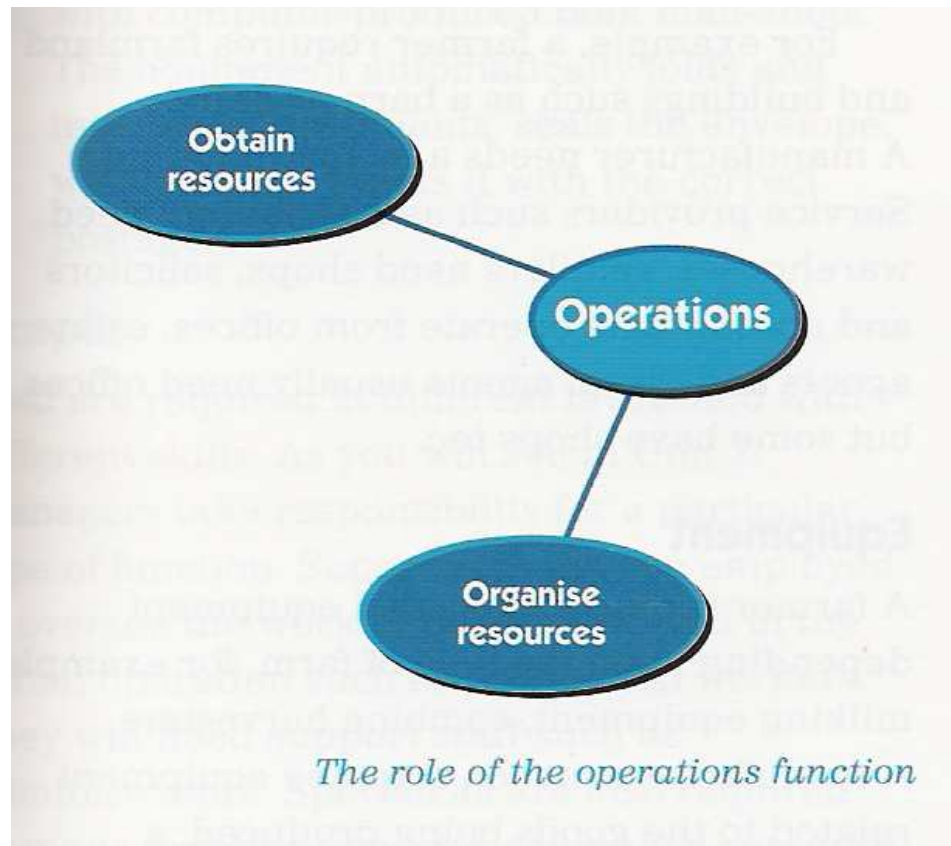
Operations

Operations in Barclays Plc is responsible for producing better services and options to customers by making the best use of resources. In a manufacturing company for example, it may be known as the production, manufacturing or works department. The operations function is responsible for:

- Obtaining the resources required to produce the goods or provide the service offered by the Barclays Plc
- Organizing these resources so that they are used in the best way to achieve aims and objectives of Barclays Plc

This means that the main purpose or operation of any business, Wedgwood Plc for example makes pottery; without clay to make the pots or metal for the machines Wedgwood Plc

would cease to exist. Take away all the money in the world and Barclays Plc would have no reason to exist either. In both these cases, the business exists to produce a product or provide a service to a group of people, mainly customers.



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In many companies the key operation is making goods, for example cars, computers, clothing, and food products. These organizations need to buy raw materials and convert them into the finished product. The following quotation is taken from a book called GCSE in Applied Business written by Carol Carysforth, Mike Neild and produced by Heinemann

“A company making jeans, for instance, requires denim, thread, zips and other fastenings. The list is short. For a car or airplane manufacturer, the list would be much longer. All these items need to be available as and when they are needed and this

requires skill. The jeans manufacturer doesn't want thousands of meters of denim fabric lying around; this costs money and takes up valuable space. Neither would it want to run out, because production would stop and the company's profits would be affected".

The services at and options at Barclays need to be made with as little wastage as possible. They need to be of good interest to the public, otherwise Barclay's won't make a profit. Finally, Barclays Plc has to make sure they can provide what it offers otherwise they will lose public interest.

Making sure that this process goes smoothly is critical to Barclays and they employ an operations manager sometimes called a production manager or works manager to control it. Barclays mainly provides a service, for example:

- Students Services
- Competitions
- Online Banking
- International packages
- Life Cover
- Income Protection
- Critical Illness Cover
- Stakeholder Pension
- Calculators
- Junior Bank Accounts
- Euro Account
- Loans
- Barclaycard
- Career Development Loans
- Budget Planner
- Personal Overdraft
- Mortgages
- Remortgaging

In all cases, both managers and the staff at Barclays Plc are responsible for the operations. In a service organization, a large number of staff may be involved in delivering the key

operation to customers, for example solicitors advising clients.

Any businesses especially Barclays needs resources, whether they provide a product and/or they provide a service. For example, Barclays needs premises, equipment such as a money counter, money and labour to try and make personal finance easy for any one customer. This type of determination needs to be applied to all the functional areas of Barclays Plc, no matter what type of service is carried out.

The type and quantity of resources resources required will depend upon:

- The operation being carried out
- The way it is being carried out
- The scale of the enterprise. A large organization obviously requires a greater number of resources than a small firm.

All businesses-produces of goods and service providers need buildings and land to operate.

The following quotation is taken from a book called GCSE in Applied Business written by Carol Carysforth, Mike Neild and produced by Heinemann

“A farmer requires farmland and buildings such as a barn or dairy. A manufacturer needs a factory building. Service providers such as distributors need warehouses, retailers need shops, solicitors and accountants operate from offices, estate agents and travel agents usually need offices but some have shops too.

A farmer requires specialist equipment depending upon the type of farm, for example milking equipment, combine harvesters. Manufacturer needs complex equipment related to the goods being produced; a distributor needs vehicles; retailers need cash registers and all offices use a range of equipment including computers, fax machines and photocopiers”.

The amount of specialist equipment required for any type of business will vary, depending upon the extent to which and process is automated. Automation means that machines do the work instead of human beings. Examples of automation include the following;

- Robots perform dangerous, dirty, monotonous or intricate jobs. Some industrial robots are just 'arms', programmed to do jobs such as welding, paint spraying, machine loading and basic assembly work. Multiarm robots have been developed to do different jobs simultaneously. Because they can be very expensive, these are more likely to be found in large organizations. Robots are also used in other areas. In medicine, they can be used to help move patients who are immobilized or paralyzed. They are also being developed to carry out delicate operations, such as brain surgery, because their movements can be precisely programmed and repeated as required.
- Digitized telephone systems – a computer voice answers the telephone and directs customers to select different options depending upon their individual need. This helps to 'screen' calls and directs them to the right person.
- Automated mailroom equipment deals with computer-produced bulk mail- shots. The equipment automatically folds and inserts the documents, seals the envelope, weighs and franks it with the correct postage.

Staff at Barclays are required at different levels and with different skills, as you will see managers take responsibility for a particular type of function. Supervisors may be employed to oversee the work of people involved in the actual face to face service of Barclays such as bank teller workers. Specialists are also required by many organizations, for example a research firm may employ engineers, and an accountant will need tax experts.

All types of businesses require materials. Barclays for example needs raw materials such as paper, computers and money to produce the finished goods. A retail store needs stock to sell; in this case the materials will depend upon the type of goods sold from shoes to mobile phones. Barclays also needs

packaging materials and help with posting, many businesses in the UK use the Royal Mail postal service.

Customer Services

Customer services at Barclays Plc provides information, advice, after sales services and also has to communicate with customers with problems such as complaints. Staff have a responsibility to tell the customer about consumer laws which are designed to protect customer's rights.

Customers are essential to every business because their payments are their income, or revenue, of the business. Without customers, a business would not make a profit and would eventually close down. Customers also needs a bank, no member of the public would get paid if there was no where to store there money. Because of this banks get a two way deal the customer needs the bank and the bank needs the customer, for this the customer gets services and interest in their money and the bank gets a profit on whatever services they provide to the customer.

When customers trust their finances with Barclays they expect them to have something in return plus have their money safely and professionally looked after. The more they pay the better quality of services they expect. Added to this, consumers have specific legal rights when they buy a product or service.

Customers also expect staff to:

- Give prompt attention and service
- Know about the products or services they are selling
- Be polite and helpful
- Concentrate on their specific needs
- Offer extra services that will help them

Today, many businesses dell the same types of goods or offer the same types of services, so customers have a choice where to go. If they have a positive experience when they visit one business, this will influence them not just to buy but to return again and again. Customer service is all about providing this positive experience-all the extras that people need.

These include:

- Providing information
- Giving advice
- Providing credit facilities
- Delivering goods
- Providing after-sales service

The purpose of customer services is to fulfill their expectations, make them feel important, meet their needs both now and in the future.

The type of information required by customers can vary. It is doubtful if any customer service assistant could answer every possible query immediately and most customers realize this, however the staff at Barclays Plc tries to fulfill the customer's needs. The main point is how the query is dealt with. A friendly voice, a promise to find out quickly is far more important than being a walking encyclopedia.

Customers might ask:

- A technical query about the interest to be paid on a mortgage at x amount of pounds
- A general query about Barclays
- About the range of services available
- About the location of another branch
- About the location of another bank in the area
- About general facilities available

Customers often seek a loan or mortgage service at Barclays Plc when they buy an expensive item, such as a car or a house. This means that they can pay for anything they wish to buy over a financial period to suite the customer. Barclays has regularly advertised their credit and mortgage terms on television using a famous actor named Samuel L. Jackson, as this can tempt customers to use their services rather than using other services at another bank.

Private individuals can have a type of loan in one of three ways:

- They can take out a student loan which is only used by students. This loan is good for paying

back at low interest rates over a period from one to about five years. The loan amount is only based on what the student requires it for. For example if the student wants it for accomindation then the loan amount would only be from £1,000 to £5,000.

- They could make an overdraft. This could only be a small amount like about £50 to £200 and would have to be repaid able as soon as possible. Interest gets added for each week or month that the customer takes to pay of the amount.
- They can take out a mortgage which is mainly used for a large amount of money. This is a most common option for people of businesses buying property. There is also a commercial mortgage option for large businesses that mainly make a profit of around £300,000 or more. The amount that is possible to be borrowed goes on customer finance history. The maximum amount to lend is worked out by the person's gross income times by three. The repayments can be from 1-25 years. Some banks even offer 30 years repayable and the interest is low for the amount of time been given to repay the amount.

Every business including Barclays has to have functional areas. They are what brings the business together and makes the business work. For example, customer services deals with customer complaints, if a customer complained about an advert in the paper they would contact Sales and Marketing. Sales and marketing would then contact management and deal with the problem. Sales and marketing would then contact customer services who would then get in touch with the customer and tell them that the problem has been fixed. There is one fault about this process and that is that it takes time for each of the functional areas to get into contact with each other. And as one smart person in business once said that time is money. The process would work quicker if business worked as a group but

then it would be disorganized and totally unmanageable.

How effectively to these functional areas work together?

These functional areas play an essential part in any business especially Barclay's Plc. Marketing and Sales do exactly what it says they get provide the business with customers an essential part in any business. Operations take care of all the raw materials if you like that Barclay's needs for example ordering paper, computers and sorting money. Customer service also do exactly what they say they provide services to the customers in a bank these would mostly be setting up account services or helping customers to fill out forms. Functional areas have to work together or else the business wouldn't function for example is there wasn't a Marketing and Sales Department then Barclay's would have very little customers and the business wouldn't make enough profit to survive in the business world.

Methods of Communication

Methods of communication in Barclays are the most common. These are electronic communication by this I mean e-mail, cash machines and online banking to name a few. And then we have hand written communication by this I mean letter, faxes and forms. Then we have oral communication by this I mean face-to-face, telephone and answering machines.