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## Functional areas

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The functions for Cadbury Schweppes are all engaged to achieve CS objectives. The separate functions have their own specialised employees that are skilled and knowledgeable in each separate function. There are six main functions that consist in CS, which are:

- Finance
- Production
- Human Resources, HR
- Marketing
- Administration
- Research and Development, H&D

These functions for CS are very important for the objectives for CS to be achieved and achievable. Without these functions, CS objectives would be hard to achieve.

### Finance:

This department is vital for CS to maintain their objectives especially the aim for worldwide growth. The finance department is important for CS because it is responsible for the control of money in CS. This is important towards CS aims, especially growth because the finance function if the cost is not monitored, CS could lose the cost, which causes CS objectives to be reduced. The other importance for the financial function is:

- Customers can be slow for paying or even sometimes not paying at all. This causes a loss of income, which can be effective for CS objectives because without income, CS can't buy any raw materials and labour. This affects CS objectives because without income, CS will find it hard to accomplish their main objectives. For example, if CS always receives a slow payment by their customers, CS will find it hard to employ because of the low wages that the employee will receive, which causes the employee to be un-motivated, which can lead to a reduction of employees and the reduction of their objectives.
- The managers of the financial department for CS (David J Kappler) may not be able to take effective decisions without in depth information. For example David needs the information to know which brand of CS is doing well for CS and which are not. With this information, David can decide on which brand are gaining a profit and which need to be improved e.g. Dairy Milk was massively concentrated by CS and it is the best known brand that makes the most profit for CS. This is important for CS objectives because knowing which product is gaining the most profit, will effect the objectives e.g. if CS's best 10 beverages and confectionary are all increasing their profit, this will affect CS objective for growth.

The financial department is important for CS objectives and they require the appropriate information which is essential to them. The information they get are needed to allow CS to increase the sales and to meet the objectives.

### Production:

CS has a production department also, which is involved developing natural resources onto a product e.g. CS production department is responsible for the entire manufacturing process, turning raw materials into finished goods.

Under the leadership of a Works or Production Manager it has to:

1. identify the engineering or technical aspects of the production process
2. assess how long it will take to plan production
3. monitor progress, carrying out work studies and inspection

### ENGINEERING

1. Determines how product will be made
2. Assesses what technical equipment is needed
3. Checks on standard of raw material

### PLANNING

1. Identifies when production will take place
2. Estimates length of production
3. Ensures raw materials are delivered on time

### CONTROLLING

1. Ensures production plan is being followed
2. Maintains quality standards
3. Monitors timescale

If planning is not carefully co-ordinated production could slow down or even stop. CS will lose money if workers and equipment are left unoccupied due to raw materials not arriving on time, which can affect the objectives e.g. when the production process is slowing down and there is a great demand for Dairy Milk, CS will lose a great amount of income because of the slowness of the production, which can affect the objectives that CS are aiming for. It can affect the objectives such as, to produce quality brands on time and to grow. The type of objective will be affected because the growth will be minimised by the low income and the quality brands on time will be useless, unless CS produced more demand of the product. Physical resources and labour are the largest costs CS has. If they are not used efficiently, CS can lose money, which again can affect their objectives.

So the production function is vital for CS objectives but the production function also needs help from the finance department. The relationship between these two functions needs to be strong so that they can meet CS profit objectives and also the growth of the business. Marketing also has a strong bond with the Production department because the Marketing department provides the crucial information of what is needed from the customers to the Production department. With the different links with the production department, it has even greater chances of achieving the objectives for CS.

### Human Resources HR:

The Human Resource department (Robert J Stack) is involved with the management of people. The personal department looks after the welfare of the workforce. The things that HR is responsible for are:

- interview and recruit appropriate employees
- develop a superior training program
- facilitate growth in teamwork and decision making
- optimize employee performance measurement mechanisms
- provide guidance for management
- identify succession planning candidates

In today's tight labour market, HR strategies are critical to CS future success particularly identifying, training, developing and retaining top employees. Job requirements are changing for all industries; performance management has become a critical link to developing productive workers and managers; identifying tomorrow's leader's takes front stage as companies grow and change; rewards structures demonstrate commitment to retention.

The way that the HR department helps CS to achieve their objectives is vital for the company to be successful. The HR department produces many ways to help CS to achieve their objectives. A large part of CS's objective for growth is the Human Resources department of these companies, who are responsible for hiring the people with the knowledge to bring new technology into a company. To be successful in the automotive market, these companies needs a highly skilled, flexible and committed work force, a flexible and innovative management, the ability to retain developed talent, and a strong partnership between management and labour unions. To achieve these goals, the company needs a talented HR department. Besides hiring the right people to manage and perform specific jobs, HR managers have to build up commitment and loyalty among the workforce by keeping them up to date about company plans, and laying out the implications for job security and working conditions.

### Marketing:

Marketing activities and strategies result in making products available that satisfy customers while making profits for the companies that offer those products. Focus on what the customer wants is essential to successful marketing efforts. This customer-orientation must also be balanced with the company's objective of maintaining a profitable volume of sales in order for the company to continue to do business. Marketing is a creative, ever-changing orchestration of all the activities needed to accomplish both of these objectives.

Providing the features and quality customers want is a critical first step in marketing and is important for CS, so that the marketing department can meet the objectives of CS. Producing quality is the first step to CS objectives e.g. if the service and brands

are at high quality, then the customers will be more pleased, which will attract more customers, which will increase CS income and growth.

### How Does Marketing Fit into the Company?

Another way to describe marketing activities is to consider the big picture of how they fit in with the other business functions.

- Through marketing efforts, decisions are made and strategies are implemented concerning:
  - what products (goods, services or ideas) are to be offered
  - to whom (the target market), and
  - how (how to inform potential customers of the offering, how to make the transaction, etc.)
- Products are created through production efforts.
- Capital and operating funds are managed and tracked in the accounting-finance area.
- The focus of the human resources area is employees and the policies concerning them.

Oftentimes, a marketing approach relies upon the coordination of several business areas to be successful. For example,

- The product might need some tweaking by the person who produces the product to respond to customer complaints.
- The person who handles human resource issues might be asked to develop compensation plans that reward sales people who build significant relationships that have tremendous potential but are slow to close.
- Special payment plans might need to be implemented by the accounting staff to accommodate a variety of customer needs.

As a result, marketing usually crosses more departmental boundaries than other business functions do out of necessity. So, marketing requires the orchestration of everyone who plays a part in the common goal of pleasing the customer.

### Administration:

The Administration department for CS handles with enquiries, communicating messages and producing messages for the workforce from potential customers, which are recorded with their personal details.

The functions that contain in the Administration department in CS are:

- *IT information Technology section* - The IT gives management information for decision – making throughout CS.
- *Clerical and support services* – this is information processing, data processing, filling and reception service can be provided to all areas of CS. This is a very important section for Administration because it links together the activities of other function within the business.

- *Security and Maintenance* – this is another important factor because it is essential for CS to the easy running of the business and to the effective operation of other business functions.

CS's objectives are helped by the Administration department to be achieved because of the importance of the information technology that is contained within the department. The technology that is contained in CS administration allows them to collect vital information within and outside of CS. This helps CS objectives because of the importance of the information produced by the administration department.

#### Research and Development, RD:

CS need to develop long-term strategies, and an important part of this strategy must be the continual development and launch of new products (e.g. Boost), or amendments made to existing products (Dairy Milk). This is the purpose of research and development. CS department for RD is simply and defined by:

*'Carrying out extensive scientific research into the product and its design, and then developing a range of prototypes, each to a slightly different specification.'*

This statement that I received from CS shows what the RD department does when researching and developing with confectionary and beverages. The prototype (e.g. Boost) which best meets the needs of the customers and the business is then likely to be commercialised.

The development of products can take several years to complete and many businesses spend a huge amount of money on this process (e.g. CS spent between 5-15 million pounds 3 years ago on RD). It can often be a very risky process, since much money can be spent on ideas that will never be commercialised.

The RD helps to meet CS objectives because the businesses which are most likely to succeed in the future are those which develop more new products than their closest rivals, bring their new products to the market in less time than their rivals, compete in more products and provide very strong after-sales service to customers. This all leads to the achievements of CS objectives e.g. if RD develop more chocolate in different variety's and quicker than their competition, then they will gain advantage, which will increase their growth.