

Theme A

Introduction

For this piece of coursework I am going to be studying the company Virgin, I chose this company because I feel that it has been very successful throughout the years and they have fulfilled the objectives in order to achieve their aims. This company's type of ownership is a public limited company.

Virgin is a business that deals with travel, cars, home and pet insurance, personal loans, credit cards, music stores, mobile phones, pensions, cancer and life cover, saving and investment accounts. These are all of the businesses that are incorporated within the company.

The Virgin Company has set up aims and objectives to follow in order to achieve different things within the company.

Their aims and objectives are as followed:

- **To provide value for money for their customers**
- **Good quality**
- **Brilliant customer services**
- **Innovative**
- **Competitively challenging**
- **Fun**

Why are aims and objectives important to Virgin?

It is extremely important for such a big multi national company like Virgin to set aims and objectives to improve the business in many ways such as profits, sales etc.

Virgin has been very successful in meeting its aims and objectives.

If there were no aims and objectives a big company like this would not be successful. So they have to structure their objectives and aims in a way that they would not fail. If the Virgin Company did not communicate in any way the business would fail, because lack of communication would make the business not succeed and no profits will be made.

Why is the ownership type chosen by Virgin suitable?

Virgin's type of ownership is a public limited company; people from the public have brought shares into the Virgin Company to help out in various areas of the business. A public limited company is best suited for this business because there are wide ranges of businesses that are within the company and the responsibilities would then be shared. It would not be a good idea for the Company's type of ownership to be a sole trader because there is too much to handle for one person; duties should be shared within the company. Many owners can be involved because the company has expanded in many ways and shares can be brought into the company from the public.

How the aims and objectives of Virgin will change in the future

Richard Branson started out as a sole trader, as the years went on he began to go into a public limited company because the business was expanding rapidly and it would be too much for him so certain people have specific jobs and shares within the business. The ownership changed quickly because the company has gone worldwide and one person couldn't handle the responsibility by themselves. A public limited company is when people from the public can buy into shares within the business.

The disadvantages of a sole trader:

- **Full Liability**
- **More work load**
- **Possibility of being bankrupt**
- **All losses are yours**
- **Liable for law suits**

Whereas the advantages for a public limited company are:

- **Liability is shared**
- **The work load is shared**
- **All losses are shared**
- **Decisions are shared**

The above shows the disadvantages of being a sole trader and the advantages of a public limited company there is a big difference between these two. After reviewing the advantages and disadvantages of a **sole trader** and a **public limited company** this shows that the public limited company is the better choice of the two for the Virgin Company. My reasons for this is because liability is shared and before Richard Branson would not be able to keep up the business knowing that if it fails all the liability would be all on him. The workload is shared whereas before Richard Branson would not be able to do all the work for such a worldwide company like Virgin, so now the ownership has changed into a public limited company all workloads are shared within the company.

In the future I feel that the Virgin's type of ownership will stay the same because shares can be brought by the public to keep the business running. This is good for the Company because if one person drops out the company will not go bankrupt because it has investments in different aspects of the business, this will mean that only one part of the business will go down but can be easily replaced by a buyer.

Theme B

I will be describing the type of work done in each of functional areas of the Virgin business.

Research and development is the area of the business when research is done into new products, and where constant development is planned for the product. This includes the product being changed when it is necessary. There are different responsibilities that are needed within this area of business such as:

- **Testing of the product**
- **Carry out surveys**
- **Improving the products**

Human Resources is the area of the business, which includes health and safety, recruitment, retention and dismissal, training, development and promotion, employee organizations and unions and working conditions. There are different responsibilities that are needed within this area of business such as:

- **Promotion**
- **Settle disputes between employer and employee**

- **Hiring and firing**

Finance is the area of business, which includes preparing accounts, wages and salaries and obtaining capital and resources. This area of the business is also in charge of all profits and loss within the company. There are different responsibilities that are needed within this area of business such as:

- **Preparing employees wages and salaries**
- **Managing accounts**
- **Control of a profits and losses**

Administration and IT support is the area of business, which includes clerical work, security, cleaning, maintenance, support for software applications, electronic communications and electronic transactions. There are different responsibilities that are needed within this area of business such as:

- **Control software application**
- **Security systems e.g. CCTV, alarms**
- **Making sure that the place of work is a clean environment**

Operations is the area of business, which concerns with the main business activities, obtains and converts resources of the business into goods/services. There are different responsibilities that are needed within this area of business such as:

- **Buildings and land**
- **Equipment**
- **People**
- **Materials**

Marketing and sales is the area of business, which manages the advertisements of the products and how the product will look. They also carry out surveys, which the public can complete to find out what the public want. There are different responsibilities that are needed within this area of business such as:

- Television Advertisements
- Product Layout
- Carrying out surveys e.g. through the Internet

Customer services is the area of business when employees go on different courses in order to work with the public in the correct way. They need to have good communication skills so the customers would want to come back or go the store. There are different responsibilities that are needed within this area of business such as:

- **Go on courses**
- **Being people friendly**

Theme B

Technology has helped throughout the years with many businesses for example Virgin. I will be giving examples of how ICT has improved the functional areas within the company Virgin.

Using ICT improves **finance** in the Virgin Company because spreadsheets can be used to calculate figures easily e.g. profits and losses
Figures can be put into a database, so written calculations are no longer needed because the database would be able to update the figures that are put into it.

Using ICT improves **administration and IT support** in the Virgin Company because now documents can be typed up and presented properly, colours, size, style etc. can be chosen according to what is needed.

Faxes can also be used to transfer documents through a phone line from one place to another and now letters do not have to be posted.

Using ICT improves **research and development** in the Virgin Company because for research a computer can be used to surf the web. Websites can be made so customers can look at the product in the comfort of their homes and also surveys can be completed about the product. If it is necessary the products will be changed depending on what the customers think/want.

Using ICT improves **human resources** in the Virgin Company because advertisement for jobs are put in the newspaper and job specifications can be put on the Internet. Advertisements can now be made on the Internet to attract web users. Instead of going to the store to fill out a form, customers can do it online.

Using ICT improves **marketing and sales** in the Virgin Company because in this department a lot of surveys are made and put through television and radio advertisements, by doing this, thousands of people instantly hear/see it and the product is being talked about or seen in order to attract customers.

Using ICT improves **customer services** in the Virgin Company because the customers would be able to go online and log their complaints. They can go on the company's website and send off any inquiries that they have and the answers can be emailed back to them personally.

Using ICT improves **operations** in the Virgin Company because a database can be kept of how much stock is there and when new stock is going to be delivered. A database will be able to control and update whether the stock is running out or if stock is coming in.

Theme B

I will be describing different functional areas and will be including how the Company Virgin uses these areas successfully.

Finance helps the Virgin Company a lot because within this part of the business shares and profits are sorted out. The figures that are within the business are managed within this functional area. Within the functional area of finance if communication isn't made this area of the business will make the company fail because the money needs to be separated from the other functional areas so everything is organised.

Marketing and sales helps the Virgin Company a lot because within this part of the business surveys, TV ads, radio ads and advertising e.g. Poster, brochures are made to assist the company. Within the functional area of marketing and sales, if communication isn't applied in this aspect of business in marketing and sales involvement of important jobs will be lost.

Administration and IT helps the Virgin Company a lot because within this part of the business computerising, spreadsheets, word processor, power points etc. and communications. All these different documents are explored within this business. Different processes are made in the functional area mainly office work. Within the functional area of administration and IT, if communication isn't made this whole functional area will fail because it is based on communication.

Research and development helps the Virgin Company a lot because within this part of the business, research is made on the products and if improvements are needed the product will then be developed in the ways that are needed. Research and development needs to be made to make sure that the products are appealing to the customers. Within the functional area of research and development if communication isn't made then the product would not be able to be developed and researched in the correct way, so therefore the business will fail due to lack of communications.

Human Resources help the Virgin Company a lot because within this part of the business health and safety, recruitment, retention and dismissal, training and working conditions. Within the functional area of human resources if communication is not made this area of the business will make Virgin fail because the place of work must be safe, people need to be hired and fired etc.

Operations help the Virgin Company a lot because within this part of the business all the main business activities are managed. This involves things such as buildings and lands, equipment, people and materials. Within the functional area of operations if communication is not made this area of business will definitely make Virgin fail because all of the main business activities are sorted out.

Customer Services helps the Virgin Company a lot because within this part of the business the employees go on different courses so they can work with customers in the right way. Communication is extremely important because if there is no

communication the customers will not come because it is not a customer friendly environment.

I have explained the **strengths** and **weaknesses** of all the functional areas and how effectively they work with Virgin. From what I have explained above this just goes to show that without **communication** the Virgin Company would fail.

Theme B

The functional areas within the Virgin Company are:

- **Human Resources**
- **Research and Development**
- **Marketing and Sales**
- **Administration and IT support**
- **Customer Services**
- **Operations**

In order to achieve the aims of the Virgin Company loads of communication will have to be made throughout each of the functional area to ensure everything is working properly.

These are the type of communications these functional areas can do:

- **Face to face**
- **Written**
- **Email**

- **Phone**
- **Fax**
- **+ Many more**

Usually face-to-face communication is the best option because everything can be said in full detail there and then. But there is also a disadvantage of face-to-face communication because certain things can be said in a rude manner, which can cause arguments.

But for the business to run faster all functional areas use all different types of communication to make things easier for themselves, but either way all information will be passed through and their aims will be met.