

Brendajit Chahal - GNVQ Business - Unit 1 Investigating How Businesses Work.

In this assignment, I will be investigating how businesses function using ASDA WAL-MART. I have chosen ASDA as my assignment because it is known as a large and worldwide business. I will also be looking at ASDA's activities, aims and objectives in great detail.

ASDA is one of Britain's best value retailers and it became part of the WAL-MART family near enough to 6 years ago in 1999. ASDA was founded by a group of farmers from Yorkshire in 1965.

P1-Describe clearly the activities, aims and objectives of your chosen business.

Activities

ASDA has grown to become one of the largest food retailers within Britain. Agricultural roots, food and farming remain at the heart of ASDA. ASDA's main activity is mainly retail and many other such as, pharmacies, opticians, jewellery, and photography departments. ASDA also have an online service which introduces a range of new products and services like:

- ❖ Groceries.
- ❖ Financial Services.
- ❖ CDs DVDs & Games.
- ❖ Contact Lenses.
- ❖ Flowers.
- ❖ Local Nostalgic Gifts.
- ❖ Photo Processing.
- ❖ Travel.

Aims

One of ASDA's main aims is to offer legendary customer services towards regular returning customers and new customers to the store itself. ASDA has three main statements, which they believe will help the business to succeed. Firstly, to become Britain's best value retailer exceeding customers needs. Secondly to make goods and services more affordable for everyone. And lastly to have respect for the individual service to their customers strive for excellence.

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Objectives

One of ASDA's main goals is to source 100% renewable energy. To do this ASDA have converted an entire fleet of trucks so that they can run on bio diesel. Another one of ASDA's goals is to reduce carbon emissions by 80,000 tonnes. To do this they have reduced the number of road miles travelled by 4.5 million miles for the past 3 years. And they have found another way to transport the supplies needed for ASDA through rails.

P2-Describe four functional areas of the business, including human resources, explaining fully how each contributes to the business activity and giving examples of job roles associated with each area.

Human Resources (HR)

The Human Resources Department play a very large part in the business world. Human Resources are a department in the business that takes care of the people who depart from the business and are employed into the business. Human Resources are one of the most valuable resources in any business organisation. The size of this department depends on how many employees are working within the firm. Many different businesses prefer to create a Human Resources Department to try and make sure that the employees working in their business can work safely and effectively. All departments' will rely on Human Resources to carry out the following things:

- ❖ They will select the staff that is needed with the appropriate qualifications to be employed and may dismiss staff for certain reasons as well.
- ❖ To state the Terms and Conditions to the employees that work in the Departments that they have been assigned to and to introduce the Terms and Conditions to new employees.
- ❖ To make sure that all employees follow the guidelines of health and safety that is provided.
- ❖ They also take care of promotions, redundancies and employ people with the right qualifications.
- ❖ They make sure that people who are being employed are trained or are in training and may help develop other skills other employees may need to develop.
- ❖ Human Resources also help look after working conditions.

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Job roles

HR Adviser - A HR Advisors help to satisfy their clients needs to be competitive in the market place and to be able to develop and introduce their products quickly as possible.

HR Assistant - A HR Assistant helps recruit new employees or dismiss them if necessary and train them if needed to.

HR Consultant - If a member of staff is experiencing difficulties with anything or has a problem that has occurred then they may go to a HR Consultant and state these issues without hesitation.

Recruitment and Assessment Consultant - Recruitment and Assessment Consultant is allowed to asses the people in the recruitment area and also asses each person to a point to see whether they have the proper qualifications for certain jobs.

Human resources play a big role within ASDA and in other businesses too. Without this department there would be no new staff or no new equipment either and the business would not really be able to function properly. Without this department ASDA wouldn't be able sell as many goods as they do today, as the Retail activity would be affected by the decrease in the success of the business. New machinery and staff contribute greatly to ASDA's reputation giving Human Resources a lot of importance.

Administration

The Administration Department help businesses to meet their aims and support them at the same time. For example, Administration help problems that crop up in an office like if the company need new photocopying facilities they would provide the facilities that would be needed in that particular office. Other firms may provide not just the Administration Department some of the services listed below. The Administration Department support other departments in a business by providing a variety of services for all of the organisations, these can include the following things:

- ❖ They will provide you with typing or word processing services.
- ❖ They provide you with Reception services in an organisation.

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- ❖ They arrange security and cleaning services.
- ❖ They also plan and relocate staff if needed to.
- ❖ They also maintain the premises with, for instance, decorations, furniture if needed, air conditioning systems and any other equipment that is necessary to working conditions.
- ❖ Maintaining computer systems.

Job roles

Sales Administration Manager - Excellent opportunity to join a fleet company in this key role to analyse customer's needs and develop tender responses on a national basis. Fleet management experience preferred with a high level of computer literacy.

Administration Assistant - An Administration Assistant helps recruit new employees or dismiss them if necessary and train them if needed to for the apartments they are assigned to.

Administration Programme Controller - An Administration Programme Controller is someone who controls all the programmes running within the Administration Department.

Management Administrator - A Management Administrator is an employee whose role's main purpose is to ensure the appropriate operational support. This job requires a high level of initiative and a proactive approach in order to identify needs within the different departments and also to respond appropriately.

The Administration department run a reception desk, as this is very important as it creates a lot of order and it gives a welcome point to all customers that enter the building. A well-presented reception area gives a great first impression to all customers and new staff too. The Administration department also operate a switchboard which would help maintain order and control within ASDA, as there would be many different departments that people would like to contact. If the calls went to one department and then had no way of being transferred to the department they have asked for then this may result in the customer hanging up or complaining. As a result to this ASDA's reputation could be damaged.

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Cleaning services, decorators and other services that are hired are all dealt with by the Administration Department and they also complete all paperwork that needs to be done, documents and incoming mail as well.

Marketing

The main role of the Marketing Department is to distinguish what the customer would be prepared to buy and then to persuade them to buy the product at a price that will earn the organisation as much income as possible. There are four main functions of a marketing department in a corporation and they are:

- ❖ **Market Research** - this will help the department to find out what different customers want, what the customer is willing to pay and what kind of products customers are willing to buy etc. This will also include holding personal interviews, handing out questionnaires or sending them through the post, customer opinion panels and telephone surveys.
- ❖ **Advertising** - this helps the department to raise consumer awareness of the company's products. The company also choose items for advertising using a wide range of media, including radio, television, posters, cinema or newspapers and many more.
- ❖ **Promotion** - this helps the department by using different methods of marketing such as special packaging, exhibitions and trade fairs, sponsorship or celebrity endorsement etc.
- ❖ **Public Relations** - this helps the department maintain good relations with other organisations and the general public in order to give that company a great, high, profile, image.

Many of the companies pay outside other industries that concentrate in marketing to provide marketing services. These services can plan and run public relations, promotional campaigns, advertising and carry out market research. And to do this they need to require the following skills:

- ❖ The ability to work in teams.
- ❖ They need to be able to budget and use financial skills to keep accounts and control costs.
- ❖ They need to require management skills to see projects successfully finish.

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- ❖ They may also need the ability to come up with eye-catching ideas and plans to promote certain products.
- ❖ Technical skills to operate computer publishing, paint, drawing, animation programs, operate video cameras and sound equipment etc.

Job Roles

Marketing Executive - A Marketing Executive is expected to deal with product management with diverse elements of marketing.

Marketing Assistant - A Marketing Assistant provides administrative support, organise events, implement and maintain a customer database, maintains the website and prepares PowerPoint presentations for the Business Development Manager.

Marketing Manager - A Marketing Manager is responsible for all marketing activity supporting that pacific channel along will all the overall marketing plans for communicating to the consumer at point of sale in store.

Marketing Officer - This role as a Marketing Officer an integral part of the team with a main purpose of ensuring that the image and reputation of the organisation are upheld and enhanced whenever possible as well to communicate relevant brand messages to stakeholders and relevant parties.

Marketing Officers are also responsible for the following:

- ❖ Planning and execution of promotional advertising strategies.
- ❖ Co-ordinating the production of key promotional publications.
- ❖ Copywriting for print and electronic materials, publications, newsletters, mail shots etc.
- ❖ Development of relationships with external publishers and agencies.
- ❖ Management of database.
- ❖ Maintenance and development of various sections of organisational website.

This department is also important within ASDA and any other business because ASDA would be in trouble with debt and popularity if ASDA didn't have a Marketing Department. Without this department customers would have no idea about any deals going on in store. As a result to this problem ASDA would lose profit, which would be bad for ASDA's reputation and the

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business itself. Profit is one of the main aims within ASDA and any other business too because it is the point of any business. Marketing is one of the main ways in which ASDA is able to make its profit because it alerts customers of what the store has to offer and without the popularity the business would not be able to produce profit at all.

Purchasing

The Purchasing Department will focus in buying the services that are required for the business to operate. The items that might be purchased will contain the raw materials used in production such as paper and computer supplies used by office staff, new furniture and any other items the organisation needs. Purchasing staff needs to carry out the following jobs:

- ❖ They find and negotiate with suppliers.
- ❖ They also order other goods and services for the whole company.
- ❖ They arrange payments of invoice through the accounting department.
- ❖ Notify other departments about the kind of items and services available and how well these might meet their needs.

Job roles

Purchasing Clerk - Duties focus on the processing and administration of all consumables purchasing for the company, and its manufacturing operation. Any experience with metals and raw materials purchasing would be an advantage.

Purchasing Officers - A purchasing officer is to buy large quantities of supplies and equipment for the business and to set up agreements and organise supply strategies.

Purchasing Manager - A Purchasing Managers role will include responsibilities for, purchasing stock, monitoring and checking prices, analysing data and information received from various sources, dealing with suppliers, negotiating better rates for the company, continually updating database of contract changes and create purchase orders utilising vehicle/container capacities.

Purchasing Assistant - A Purchasing Assistant is mainly responsible for the following:

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- ❖ Operating and running a computerised MRP stock system.
- ❖ Raise Purchase Orders against the MRP demands.
- ❖ Maintain and update the BOM file.
- ❖ Identify supplier, obtain written quotations, and negotiate prices.
- ❖ Maintain a Performance Review summary for each supplier / customer.
- ❖ Deal with invoice queries.
- ❖ Liaise with suppliers and internal departments.
- ❖ Check and sign off work's orders.
- ❖ Maintain and update the production plan.

Purchasing is another one of the most important departments in ASDA because without this department no new products could be bought into the business and as a result of this no profit could be made for ASDA, for the reason that nothing would be sold.

P3-Describe how the equal opportunities of employees are safeguarded by legislation.

In this part of the assignment I will be looking at how employees are protected by law against their rights and discrimination.

The Employment Rights Act 1996

The legal act confirms the legal rights of the employees and covers the contract of employment, payslips, guarantee payments, Sunday working, time off work, suspension from work, maternity rights, termination of employment, unfair dismissal and remedies for unfair dismissal, redundancy, lay-offs, short time working and the insolvency of employer. The equal opportunities commission investigates complaints of discrimination on the grounds of sex or marital status.

The Sex Discrimination Act 1975

The Sex Discrimination Act 1975 makes direct and unjustifiable indirect discrimination on grounds of sex and marital status unlawful. It is supported by Codes of Practice produced by the Equal Opportunities Commission. This Act is also intended to prevent discrimination between men and women with respect to the terms of their employment. The provisions of the Equal

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Treatment Directive are also concerned to ensure that there shall be no discrimination on grounds of sex, marital or family status.

The Race Relations Act 1976

This covers employment amongst other things, and prohibits direct and indirect discrimination and victimisation on the grounds of colour, race, nationality or ethnic or national origins. It sets out legal redress, the positive action employers can take to address race discrimination, and the liability of employers. It also established the Commission for Racial Equality as well as that body's terms of reference and enforcement powers.

The Disability Discrimination Act 1995

The Disability Discrimination Act makes it unlawful to discriminate against disabled people in the provision of jobs, services and property. Disability is defined by the Act as a physical or mental impairment, which has a substantial and long term adverse effect on the ability to carry out normal day-to-day activities,

It is unlawful to discriminate against disabled people:

- ❖ in the arrangements made for entering employment
- ❖ in the terms on which employment is offered
- ❖ by a deliberate refusal to offer employment
- ❖ in the opportunities for promotion, training and other benefits
- ❖ by applying some other detriment

Subject to practical and financial considerations, the Act also imposes a duty to make reasonable adjustments to premises or arrangements that might place disabled people at a substantial disadvantage. Complaints of discrimination may be made to an Employment Tribunal.

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M2- Explain and give examples of how employees are safeguarded by employment law.

Employees within ASDA are safeguarded by the employment law because it states that employees cannot be discriminated if they have a disability or for their religion. For example unless there is a valid reason as to why the job cannot be given to that specific employee.

An example of this would be that an employee could be safeguarded against the sex discrimination act. This act means that the employers cannot treat a female differently to the way he/she would usually treat a male. This could then mean that if a vacancy was to arise within the business and both the male and the female wanted to experience an interview and both the male and female were to have achieved the same qualifications then the employer would not be allowed to pick the male purely because he is a male and not the female because she is a female.

Another example could be Sikhs, Muslims and any other religion for example which are safeguarded and as a result cannot be treated any different from other employees just because of their race. This also means that the employer cannot tell to do something that is against their religion or beliefs like for example asking a Sikh to take off his/her turban. This also means that no one may be treated differently just because of their race.

Another example of this could be that if a wheelchair user and a non wheelchair user was to go for an interview within ASDA and they both had the same quality of qualifications and they were to apply for the cash register vacancy and the employer chose the non wheelchair user because the other employee was a wheelchair user then this would comply with the disability discriminations act. This employment law states that the employer cannot choose the non wheelchair user and not the wheelchair user unless they were to have a valid reason as to why they cannot employ them. This also shows that neither of the employees applying for this job may be treated differently because of a disability they may or may not have.

An example could be if a person in a wheelchair and a person without a wheelchair, who both already worked in a department in Asda, decided to go to an interview for another job within Asda. The job that these people were

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applying for was a cash register vacancy. The manager carried out the interview and both employees were perfect. They both had the correct skills and the correct attitude to carry out this job properly. This employment law states that the manager cannot then choose the person without the wheelchair to do the job instead of the employee in the wheelchair unless having a justified reason for it. This shows that the employees are safeguarded because neither of the workers had a better chance of getting the job nor the employee in the wheelchair would not have been treated unfairly.

P4-Explain using examples how different functional areas communicate with each other and external contacts.

Here is a table showing all the different types of communication.

Written	Oral	I.C.T
Email Letter Memo Notice Board I.M (instant messaging)	Face-to-face Telephone	Email Fax Memo

Communication- The exchange of thoughts, messages, or information, as by speech, signals, writing, or behaviour. (Taken from www.dictionary.com) the result of any action (physical, written or verbal) that conveys meaning between two individuals (taken from the *Oxford Dictionary Of Business*).

Communication is a very easy way of interacting between two or more people by passing notes or sending messages to one another. Communication is when a message has been sent from a person to the receiver and once they have received the note the person who receives it will then send a note back to the sender to let them know that they have received the note successfully or the task they have been assigned to has been complete.

Communication between the Marketing department and external contacts i.e. ASDA's customers.

It is crucial that ASDA and their customers communicate with one another. These two different groups need to do this so ASDA's customers can be satisfied with ASDA and ASDA can help make the customers feel this way

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with their local superstore. ASDA needs to find out how things can be improved, what is good, if something is good, do their customers want more of the product being considered.

For example communication from ASDA to their customers can be used by:

- ❖ Advertising - this would help ASDA get a message across to their customers through media showing them the new deals or how the store has improved for their customers needs or show them new products within the ASDA. For example a poster or leaflet may advertise improvements or any deals that ASDA may have in store, this will then get the message across to their customers making them aware of what is going on in ASDA's store.
- ❖ Internet Sites - this would help ASDA's customers to see whether ASDA are introducing new deals, if new items have been delivered to the store or their customers may find it easier to shop online. If customers may feel the need to complain about something or suggest improvements then they will find this an easy way to contact ASDA through e-mail and they will then receive a reply within the next 24 hours.

And here is an example of customer communication to ASDA:

- ❖ An advertisement for and ASDA check out job has been advertised through various media and a viewer watching his/her television and applies for the job and has an interview with ASDA within the next week. This shows that ASDA has successfully communicated to their viewers by using a variety of media.

1) Communication within the Marketing Department.

Within the Marketing Department employees contained by ASDA need to speak to one another and for some reason they may not be able to do that because the employee may be out on a lunch break, gone to use the lavatory or maybe they may not be attending their desk for some reason. With these problems different departments within a business i.e. the Marketing Department and ASDA would find an alternative to get the message to the receiver safely for when they do return to their desk, for example e-mail, leave a post it note somewhere visible, send a message to their phone or

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maybe leave a message on the notice board which is accessed by all employees.

Different departments may also communicate by using some of the following:

- ❖ Oral - this is the most common way of communication within businesses but it may not be the most reliable because the receiver may not have something to remind them of what they might have to do.
- ❖ Instant Messaging - this is a very easy communication method to use because it is easy to use and the message can be received by the receiver from the moment you hit the send button and no part of the message cannot get lost during this process.
- ❖ E-mail - this is another easy method to communicating with people from different departments because the message can be sent quickly to more than one person at a time and it can be private aswell.
- ❖ Extension Code - this method of communication is very simple. If employees wish to talk to the receiver they can then pick up the phone and then dial the code for that certain employee and assign tasks or whatever they may want to say to them on the phone using a code.

Example of communication being used within the business:

- ❖ A marketing manager wishes to speak with the marketing research manager asking for the results of an evaluation that has been produced for customers, showing their opinions on employees, the super store and the products within the store. The marketing manager asks for the results but the marketing research manager is not at his desk so an instant message is sent to were he has been located and then sends the evaluation to the marketing manager.

2) Communication between the Marketing Department and Human Resources Department.

Within ASDA two different departments need to communicate with each other and they are the Marketing Department and the Human Resources Department. The issue is about a customer enquiry and about the worry concerning the customers stock. And to do this they will need to communicate with one another using various types of communication, for example:

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- ❖ Oral - this method is quick and easy and if the problem is concerning a customer problem it can easily be solved there and then.
- ❖ E-mail - this method is quick and easy to use and can be sent and retrieved without any problems.
- ❖ Instant Messaging - this method is even quicker than e-mail and it is easy to use. If the customer is within the store then this method can easily be used to contact the other department instantly.
- ❖ Extension Code - this method saves time and the customer doesn't have to wait long for a problem to be solved.

An example of communication between two different departments:
A customer is not satisfied with the quality of milk provided by ASDA as the Marketing Researchers find out in the evaluation they had done, the Marketing Research Manager sends a copy of the evaluation using e-mail to the Human Resources Department and it is then received by the Human Resources Manager. The Human Resource Manager then tells his/her department the problem and it may then be solved.

P5- Compare the organisational structure of ASDA with a contrasting structure and explain the different communication flows.

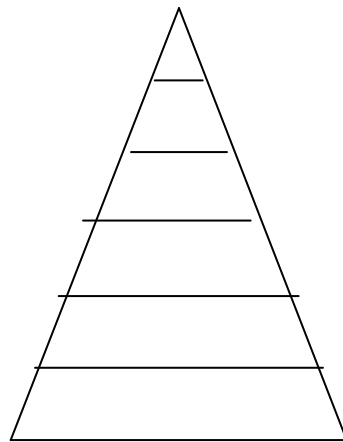
Every business has a layout. This is a way in which the business functions best. The easiest way to look at this is comparing each structure with another by using triangular shapes although there is one layout that is not. This is the simplest way of describing the different levels of authority and jobs within a business. There are four different types of a business structure and it can differ from Tall, Hierarchical, Matrix and Flat. Each of the different structures are built to suit the different types of activity that a business does and each have many advantages as well as disadvantages.

An organisation is the structure of a business and different levels of importance create a structure. Whenever there is a new level it will become wider than the previous one. This will then create a triangular shape, on the other hand this may not always be the case as the "Matrix" structure for example has no levels whatsoever. Within this structure everyone is of equal importance and all employees of a company have roles to play and also decrease in importance. For instance a business manager would usually be at the top above all the other levels. This would mean that he/she would watch

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over the control of the staff below him/her in the structure chain. An employee placed at the bottom of the structure has no authority to question anyone above them. A "Tall" business structure would have many layers of management. Within this structure it has many different layers of importance. It starts off with very small numbers at the top of the structure and many employees are based at the bottom of the structure that have very little importance. This is why this structure has been named the "Tall" structure. The "Flat" structure has one or two managers and then the employees are placed at the base of the triangular shape giving it a flat structure. This structure is usually used within small organisations like for instance small local shops or generally small businesses. The "Hierarchical" structure has a balanced shape. Therefore there is a gentler slope in the number of people in the business.

ASDA's structure is "Tall". This means that this structure only has a very small amount of employees to oversee. This is what gives the "Tall" structure its name. Every time there is a new level it will not be a lot wider than what the previous one. This then will create the image of the structure becoming "Tall" and "Thin" like in the picture below.



The triangular structure would begin with the *General Store Manager*. He/she will then be able to control every employee below them. The *Deputy Manager* would usually follow after this. If the *Store Manager* is not available then if employees may have a problem then they will state the problem with the *Deputy Manager*. Although they do not have much authority because they're lower levels than the *Store Manager*.

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There are many structures to a business that belongs to the "Tall" structure. If a message was to be sent down it could easily be lost or misinterpreted because of the amount of levels it may have to pass. This may be dangerous for employees notifying for work leave or if there may be a meeting to attend. The communication flow in a "Tall" structure is from top to bottom using telephones, letters and memos. This is a disadvantage for a "Tall" business structure because important messages could be very easily lost.

A "Flat" structure however does not have this problem. For example if a message is needed to be passed on then there are fewer layers than the "Tall" structure to go through. This is therefore an advantage because there is less of a chance of the message being lost or misinterpreted. A disadvantage could be that there are only one or two people who run the business. This can mean that some problems may not easily be solved due to lack of power.

P6-list appropriately the sources of evidence you have used in your research

Books

- ❖ Oxford GNVQ, Intermediate Business, Second Edition, Dan Moynihan & Brian Titley, published 2000 by oxford university press.
- ❖ Oxford dictionary of business, second edition,

Internet Sites

- ❖ www.asda.com
- ❖ http://www.ucl.ac.uk/hr/docs/download_forms/recruitment_selection_A.doc
- ❖ <http://dictionary.reference.com/search?q=communication>
- ❖ www.dictionary.com
- ❖ www.google.com
- ❖ www.google.co.uk
- ❖ <http://jobsearch.monster.co.uk/jobsearch.asp?cy=uk&sort=rv&vw=d&q=job+roles&fn=7307&lid=>
- ❖ <http://www.monster.co.uk/>

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- ❖ <http://jobsearch.monster.co.uk/jobsearch.asp?cy=uk&sort=rv&vw=d&q=job+roles&fn=5&lid=&x=69&y=17>
- ❖ <http://www.totaljobs.com/JobSearch/Results.aspx?Keywords=&TopSearch=administration+OR+admin+OR+administrator&Industry=34&AndOr=0>
- ❖ <http://www.totaljobs.com/JobSearch/Results.aspx?Keywords=Marketing&Market=20&Industry=34&AndOr=0&Radius=5>
- ❖ <http://www.hr advisors.com/control.html>
- ❖ <http://www.totaljobs.com/JobSearch/JobDetails.aspx?JobId=22458035&Keywords=purchasing>

Other

- ❖ The green ASDA case study booklet.
- ❖ Handouts from the teacher about how employees are safeguarded by legislation.
- ❖ An information booklet sent to me by ASDA.

M1 - explain clearly how the different functional areas interact to achieve the aims and objectives of your chosen business.

In order for a business to succeed all functional areas must work together. Without any of the different departments, a business could easily fall apart, especially one as big as ASDA. Each department within ASDA has an important role in order for ASDA to succeed. Without any of the different departments within different stores then the business would easily fall apart or would operate incorrectly.

Different departments communicate in different ways or they may all use the same methods to communicate with each other. Without a successful method of communication there will be no hope to succeed within businesses. ASDA's different departments are likely to communicate through telephone more than anything else because it is one of the quickest, safest and easiest way to communicate within ASDA's business and it is unlikely for the message to get lost. E-mails are another affective way of communicating with one another within a business like for instance in the Administration Department as there are computers in use in that department. Although there may be computers available within every department as they are a

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tremendously affective way of communicating, recording information and completing documents.

One of ASDA's main aims is to make profit. Different departments and managers working together as a team within the store can achieve this. Without teamwork from different departments, no profit would be produced and ASDA would have failed it's goal and may even have to close the store because not enough profit is being produced.

M3 - explain how effective communications are helping the business to meet customer expectations.

Effective communications are helping ASDA to meet its aims and objectives by working together with their suppliers this will then ensure them of a fair return for their goods. For example, lamb link, a scheme that sees lambs collected direct from farms and farmers paid within 48 hours. This will save them time, if any hassle the farmers may have experienced and any money issues they may have.

This may also help ASDA's products improve because they take the time to work with their suppliers and help produce the final products. This may also help the way the products may be sold to each customer.

D1 - evaluate any strengths and weakness in the organisational structure and communicate flows of your chosen business, explaining how these may affect its success in achieving its aims and objectives.

ASDA's organisational structure is "Tall", this is when a business has many different levels of importance. At the top there aren't many people in a level but as it reaches the bottom the number of employees increase and the lower the level the less importance of that level of employee/s. There is many weaknesses to this structure but the main one is based on the communication skills within a business like ASDA that belongs to the "Tall" structure. For example if a message in memo form was to be sent down to parts of the lower levels from the higher levels it may easily be misinterpreted and or it may even get lost some how. There are also many strengths to this structure aswell as weaknesses. For example because it is a "Tall" structure there are many more employees working at different

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levels therefore more ideas may be produced to help up the business more. Also more profit may be made due to bigger premises and new sections of the business may be used to open as another mini business within a bigger business, like for example ASDA and GEORGE.

D2 - demonstrate a coherent understanding of how your chosen business works.

ASDA's organisational is "Tall" and this is because of all the different departments ASDA has within its organisation.

ASDA's organisational structure has both advantages and disadvantages. Some of the advantages would be that ASDA's managers for example have a certain amount of employees in just one department. This would be called a span of control. Another advantage of this would be that it would be easy for the manager to communicate within the small section of the business.

A disadvantage of the "Tall" structure would be that there is going to be many different managers within different departments. This will also mean that the management cost will increase due to the higher number. Another disadvantage would be that if there was too much supervision provided by the managers they may find some employees who may not be showing their full potential towards their jobs. Another disadvantage would be that managers or supervisors may not find it easy to cope with new junior managers as they would be in experienced. On the other hand this may help develop more knowledge towards the current managers from the junior managers.