GRADE 11 STUDY GUIDE | 2024

Business Functions and Management

Business Studies

1. The Four Business Functions

- Production/Operations: converting inputs to outputs (products or services); quality management
- Marketing: identifying and satisfying customer needs; the 4 Ps; market research
- Human Resources (HR): managing the workforce; recruitment, training, performance, compensation
- Finance: managing money; budgeting, financial statements, investment decisions

2. Management Roles (Mintzberg)

- Interpersonal: figurehead, leader, liaison
- Informational: monitor, disseminator, spokesperson
- Decisional: entrepreneur, disturbance handler, resource allocator, negotiator

3. Management Functions (POLC)

- Planning: setting objectives, strategies and action plans (strategic, tactical, operational)
- Organising: allocating resources, assigning tasks, creating organisational structure
- Leading: motivating and directing employees; leadership styles (autocratic, democratic, laissez-faire)
- Controlling: monitoring performance against plans; taking corrective action

4. Motivation Theories

Maslow's Hierarchy of Needs

- Level 1: Physiological (food, shelter, salary)
- Level 2: Safety (job security, safe working conditions)
- Level 3: Social (belonging, teamwork, friendships at work)
- Level 4: Esteem (recognition, promotion, responsibility)
- Level 5: Self-actualisation (reaching full potential, meaningful work)

Herzberg's Two-Factor Theory

- Hygiene factors: working conditions, salary, job security -- if ABSENT cause dissatisfaction; if PRESENT do NOT motivate
- Motivators: achievement, recognition, responsibility, growth -- if PRESENT motivate; their absence does not necessarily dissatisfy

5. Organisational Structures

- Functional: departments by function (Finance, HR, Marketing) -- clear line of authority
- Divisional: separate divisions by product, region or customer
- Matrix: employees report to both functional and project managers -- flexible but complex
- Flat structure: few layers of hierarchy; wide span of control; faster communication
- Tall structure: many layers; narrow span of control; slower decision-making