ZiCheng

Task 1.1

**Explain the different types, size and scope of organisations.**

There are basically 3 types of organisations. The profit making, the non profit making and the common interest/mutual benefit organisations.

In the profit type, the business corporations are administered to earn profit to increase the wealth of their owners. Managers in for-profit organizations focus on the system and production. The main objective of the company is to achieve sustainable profits for the stakeholders.

As for the Non profit; organization must dedicate its operations to achieve a charitable or education goal. A manager must ensure that the organization’s operations are solely dedicated to achieving that goal. A manager of such an organization is not focused on generating profit. Non-profit organisation that operates independently of any government. It is typically having whose purpose is to address a social or political issue. They are usually funded by donations and run primarily by volunteers.

Mutual benefit corporations are usually formed for non-profit purpose, such as managing a condo association. The managers of such an organization are concerned about improvements in human and environment well-being rather than maximizing profits for external shareholders.

Concerning the size of business, it would means that the size of a business would depends on how many staff they have, the volume of sales and output they get and how much profit they earn. A small business for example would be a sole trader who may only have one or two workers, just like a partnership. A medium size business usually have around 50-250 members of staff within the company. A large business such as Keppel Corporation Limited would employ thousands of staff due to them being a public limited company and having more demand from customers meaning they need far more employees to deal with the demand.

In term of scope, it can be viewed as whether the organization has gone overseas on. The types of extension of their product lines and the intention to invest in the R & D endeavours. Inclusively would also may meant its intention to produce their product overseas or not.

---

Task 1.2

**Explain the size and scope of a range of different types of organisations.**

As mentioned there are broadly speaking 3 types of business. However, the characteristics and their legal obligations are different. In contextualizing in the Singapore environment, I take example of Keppel Corporation Limited (CKL), Singapore Kidney Foundation (NKF) and Fairmount Condomum (FC).

The distinctions are the objectives of profit, community services and mutual benefits respectively for KCL, NKF and FC.

The government which is the external or secondary stakeholder would introduce legal obligation for KCL and FC not NKF.
Likewise, there are differences in the source of capital to operate the business. For KCL it would be from the bank, earning from the customer. For NKF, the main source of fund is from the donor. For FC it would be contribution from the cooperatives members.

In addition to the above, a business can have a number of different types of ownerships. For example, a sole trader is a business that is owned by one person.

Sole trader forming a partnership can have the advantages of bringing ideas and capital to business. But the disadvantage point is, they need to share the profit, and have less control on business.

Public limited company is owned by shareholders and run by director. They have limited liability when lose money on what they have invested and cornered into bankruptcy.

Cooperative include employees, retailers or costumers, they have a customer base, easier to raise money from bank to buy a franchise. The advantages of the franchising is the franchisor provides training and appropriate equipment to do job well.

Utilising (Scholes, K. and Johnson, G. 2002)’s concept of stakeholder mapping, the government would be in the area of C (keep satisfied) when things are smooth, however, it would certainly move to D (key players) when things are not in order. For example, if KCL unethically mistreated their employee, the government officials would intervene. Imposing a fine KCL would be evitable.

Task 2.1

Explain the relationship between different organisational functions and how they link to organisational objectives and structure.

Before diving into detail, it is better to explain the traditional organization structure, It would be a very straight forward individual chain of command, with only one boss controlling the employee. In the environment of the so called statics only it would be suffice. However, a more dynamic environment, this type of organization structure is not competitive enough (Bateman, Snell and Konopaske, 2017).

The reason function organization is problematic in a dynamic environment is there are conflicting goals directed by the top. For example, Marketing department would be having goal of profit. How,
Finance may have a goal of minimum cost to fund the business. Hence, it is inevitable to have other alternative structures like Product, Division, Matrix, Virtual and etc.

KCL in my view as a Business Analyst would be better of with a product structure having the control of decentralization. In the perspective of NKF it is more off with a Matrix organization. The reason its customer is the donor so to speak. The employee may have to source fund from other than the donor as according to (Sunday Times, 5 Mar 2017), NKF can’t keep up with the rising number of new kidney patients. This a tall order to the staff, they have to wear many hats to get the jobs done. Thus, making the “reporting to one boss” inadequate.

**Task 3.1: Identify the positive and negative impacts the macro environment has upon business operations, supported by specific examples.**

According to BPP Learning Media Ltd ‘Business Essential: Business Environment’ (2013) government economic policy affects organization in many ways. There are a lot of policies both positive and negative that have a great influence on the company. These policies and their impact we will show lower with the help of the table I have secondary data researched on (Government Influence).

<table>
<thead>
<tr>
<th>Government policy</th>
<th>Impact on organization</th>
</tr>
</thead>
<tbody>
<tr>
<td>Overall economic policy</td>
<td>Market demand</td>
</tr>
<tr>
<td></td>
<td>Cost of finance, Taxation</td>
</tr>
<tr>
<td>Industry policy</td>
<td>Protection v free trade</td>
</tr>
<tr>
<td></td>
<td>Grants, incentives, sponsorship</td>
</tr>
<tr>
<td></td>
<td>Regulation e.g., investor protection,</td>
</tr>
<tr>
<td></td>
<td>company law</td>
</tr>
<tr>
<td></td>
<td>Entry barriers, capacity</td>
</tr>
<tr>
<td>Environment and infrastructure</td>
<td>Distribution</td>
</tr>
<tr>
<td>policy</td>
<td></td>
</tr>
<tr>
<td>Social policy</td>
<td>Workplace regulation, employment law</td>
</tr>
<tr>
<td></td>
<td>Labor supply, skills, education</td>
</tr>
<tr>
<td>Foreign policy</td>
<td>Trade promotion, export credits</td>
</tr>
<tr>
<td></td>
<td>EU and WTO obligations</td>
</tr>
<tr>
<td></td>
<td>Export promotion to allies, aid</td>
</tr>
<tr>
<td></td>
<td>recipients</td>
</tr>
</tbody>
</table>

Positively, as major players in the international trade and investment environment, businesses can influence government policy toward the international monetary system. For example, intense government lobbying by U.S. exporters helped convince the U.S. government that intervention in the foreign exchange market was necessary. With this in mind, business can and should use its influence to promote an international monetary system that facilitates the growth of international trade and investment.

Also, positive view, the government may intervene if there all too many foreigners setting in locally. The government may tweet the tax policies to protect the domestic industry

Negatively, affecting the social aspect would be: Product liability involves holding a firm and its officers responsible when a product causes injury, death, or damage. Product liability can be much greater if a product does not conform to required safety standards. Both civil and criminal product liability laws exist. Civil laws call for payment and monetary damages. Criminal liability laws result in fines or imprisonment. Both civil and criminal liability laws are probably more extensive in the United States than in any other country, although many other

Also the negative influences are the social actors which are focused on the lifestyle patterns of the population. There are social and cultural differences in every country and every business need to adjust and function according to that. Buying and consumption patterns for every individual vary country to country. It depends on culture, age, gender, behaviour and tastes of people. KCL has to keep in mind all these social factors while setting up its business in Singapore and overseas.

Test 4.1: Conduct internal and external analysis of specific organisations in order to identify strengths and weaknesses.

Using KCL and in specific, the Keppel Land, which is a profit making arm of the 4 product the company has.
In sum,

Let us has a look at Keppel Land (KL) a wing of KCL and its SWOT:

Strength

- Keppel Land, a division of KCL has a diverse mix of commercial and industrial building
- Healthy balance sheet
- High occupancy rate on their renting business
- Ability to generate surplus quickly

Weakness

- Highly hedged on interest rate
- 1.6 billion cash in reserve

Opportunity

- Real estate blooming in emerging markets
Strong foot hold in China

Threat

- Singapore and China market in property have been damped due to government cooling measures
- China and Singapore may raise interest rate in sync with USA.

As an appointed Business Analyst, I would certainly recommend KCL to closely relook into its huge reserve to expand abroad. Of course there risks involved, but equally unacceptable is over keep huge sum of cash is not a good business strategy.

Another area would be for KCL can be scouting for good talent now. As we already know the interest rate globally is expected to rise, the opportunity can be seriously look into. KCL must get good talent with related skills and competencies to support its expanding business. The rise in interest rate would create unemployment. Hence KCL should take this opportunity to train its existing staff and get ready good staff preparation for the next expansion.

Task 4.2

Determine the internal strengths and weaknesses of specific businesses and explain their interrelationship with external macro factors.

Political

As of 2017, the elected president of the United States of America, Mr Donald Trump have said to be withdrawing from the Trans-Pacific-Partnership, which we believe will strongly affect the trade agreement between Singapore and USA (Woolf, N., McCurry, J. and Haas, B. 2016). There may be trade restrictions that will greatly affect the company’s revenue as the tension rises.

Economic

As the recent economic slowdown and margin pressure, company is boosting productivity and controlling amount of waste from process. The Marine industry are given by the Singapore government, KCL should capitalise on this recent news to tap from the government support in its training subsidiary.

Sociological

KCL needs be more proactive introducing new product because consumer taste change very quickly and many consumer are keen to experiment.

Technological

The production processes for all the different product lines are costly and laborious. It is clear that “we put our hearts and souls into making them, to ensure they are of the best quality and standard for the consumer.” Repeated many times by the CEO
Legal

We must also take note of the Health and Safety law that our product is a healthier choice. To make sure that the product is healthy, safe and ethics to use.

Environmental

KCL should consider environmental friendly and recyclable in their product.

As Singapore is moving into a Smart City, KL should goes hand in hand with the government using of technology in their property and marine wings, designing product in tune.
Reference


Government Influence:


