AS / A Level Year 1 AQA Business Course Companion

3.2: Managers, Leadership and Decision Making

2nd Edition – August 2023

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Contents

Teacher's Introduction

This resource has been written to support the learning of Unit 2: Managers, Leadership and Decision Making, which forms part of the AQA Advanced Level GCE in Business. It gives an in-depth view of the new qualification, presenting what specification points students need to know, plus extras along the way for extended learning.

At the beginning of this resource you will find a list of contents showing every specification point that is covered. There are also questions and answers at the end of the resource to help students apply their knowledge to real-life business contexts. Any key terms are revised as a glossary at the end of the resource.

Students get plenty of chance to practise their quantitative skills in this resource, including:

- Calculate, use and understand percentages (Chapter 3.2.2.)
- Calculate, use and understand ratios and fractions (Chapter 3.2.2.)
- Construct and interpret a range of standard graphical forms (Chapters 3.2.1. to 3.2.3.)
- Use and interpret quantitative and non-quantitative information in order to make decisions (Chapters 3.2.1. to 3.2.3.)
- Interpret, apply and analyse information in written, graphical and numerical forms (Chapters 3.2.1. to 3.2.3.)

While extremely valuable to a student's revision, this resource should be treated as a companion to the many other textbooks and activity guides available. As with any subject, it is good to read as widely as possible!

The subjects covered in this resource include everything from decisions trees and opportunity cost to risk, uncertainty and the role and importance of stakeholders. The notes included in this resource can be given to students before a lesson as preparation for a topic, afterwards in order to help solidify their knowledge, or can be used by teachers as a supplement to in-class exercises and activities.

It is hoped that this resource, as well as offering support for teaching the essential elements of the AQA examination, will help students build on their research and dissemination skills. The business world is a constantly changing one full of fascinating stories. This resource attempts to utilise some of these stories as a basis for teaching in the most interesting way possible, meanwhile encouraging further study from the next generation of business analysts!

Happy teaching!

August 2023

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- p.2 – Added 'The Distinction between Management and Leadership' and 'What Managers Do' section removed
- p.2 & p.3 – 'Analysing Management and Leadership Styles' has been renamed to ' The Tannenbaum-Schmidt Continuum'.
- p.3 – the section on the Blake Mouton grid has been removed
- p.4 – 3.2.1 Questions – Q3 removed (remaining questions have been renumbered)
- p.5 – Added 'decision trees' to key points covered (no additional content added)
- pp.12–14 – 'Influences on the Relationship with Stakeholders' section has been removed

3.2. Managers, Leadership and Decisio

3.2.1. Understanding Management, Leadership an

Key Points Covered

- The Distinction between Management and Leadership
- Types of Management and Leadership Styles and their Effectiveness
- The Tannenb

The Distinction between Management and Leadership

Management involves *four* basic functions: *planning, organising, leading* and *coor*
business. It is the general administration of a business – the *business as usual* or

Leadership, on the other hand, describes how a business is guided, how a person
employees and positively influence them in order to bring success to the busines
visionary. They have *innate* and often *charismatic* characteristics that *encourage*
their full potential.

It is worth noting that *good managers are not necessarily good leaders!*

Types of Management and Leadership Styles and their Effe

Management of a business involves the day-to-day maintenance of its operation
describes how a business is guided. It focuses on how people motivate their wor
them in order to bring success to the business. A good effective leader is a visio
characteristics that *encourage* and *inspire* employees to work to their full potent
and decide what is possible. While *managers* make sure objectives are complete
who identify and set the objectives in the first place; they decide what needs to

Many businesspeople see charisma as a key element of being a good leader, th
integral part. Many business leaders have managed to get the most out of their
than-life personalities. Likewise, it is also worth noting that *good managers are*

Let's look at some common management and leadership styles.

Autocratic

This is a *dictatorial style*, where workers are set a task and *told* how and when to complete it, without consultation or participation in the decision-making process. The absence of consultation can *decrease* employee motivation, but on the other hand the decision-making process is much *faster*.

This technique is often used in large factories where businesses might employ many low-skilled workers. The workforce is directed to perform a task and given very specific instructions to obey. While an efficient way of getting things done, the autocratic style can lead to resentment within the workplace since employees feel undervalued by their employers.

Paternalistic

The paternalistic style, also known as *'father knows best'*, allows for *consultation* with employees on a given task, but the *decision* as to how to carry it out is *made by the business leader*. It is, nevertheless, still *autocratic* while taking more into account the needs and best interests of the employees.

Much like the democratic style, the paternalistic method is generally favoured by s
companies. It can have drawbacks, though, such as a leader becoming so involved
they end up controlling everything and hindering the development and/or creative

Democratic

This involves *empowering employees by involving them in the decision-making p* employees, but remains in overall control. After a task has been decided, *worker* *best* to complete it within the deadline. Although such consultation *slows down* democratic style can improve employee motivation as it makes them feel part of

Leaders of start-ups and [illegible] businesses often use the democratic style sin small. Leaders of [illegible] have short chains of command, with most decisions dir and so they [illegible] involve more people before they act. However, the slowing dow numerous people all give their opinion, can make it seem impossible to come to an

Laissez-faire

This style *empowers* employees to carry out a given set task with the *minimum of interference* from the manager/leader. The degree of the manager's participation in the task is *being available* to *give advice and guidance, when sought* by employees.

The laissez-faire technique works well in large organisations that have many layers of management below the business leader. Departments / business units work autonomously to achieve their objectives, speaking to the leader only when absolutely necessary. This technique can be difficult for leaders to administer, however, especially if they are not 100 per cent confident in their employees. The workforce may also lack confidence in the leader or in themselves, as most are used to being told what to do and when to do it. Laissez-faire can also create a 'big brother' atmosphere in the workplace, where people know that while the boss is not around he/she is always watching.

The Tannenbaum-Schmidt Continuum

Tannenbaum and Schmidt (1973) presented the idea that leadership skills could

Tannenbaum and Schmidt's leadership continuum suggests that a manager's styl from authoritative to more focused on teamwork and delegation (and vice versa two ends of the spectrum, depending on the situation, type of business and avail

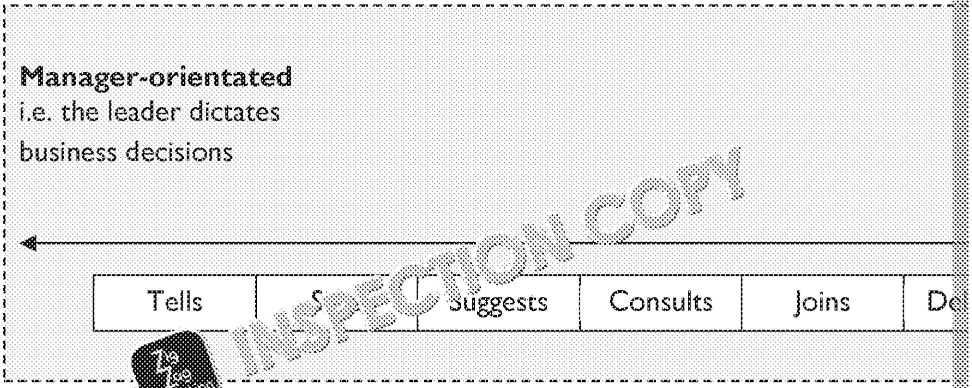


Diagram: The Tannenbaum-Schmidt Continuum of Leadership Be

Tells: the leader identifies the issue, makes the business decision and then feeds

Sells: the leader makes the business decision and then sells the decision to the w
Questions and issues can be raised, though the decision has ultimately already b

Suggests: the leader makes the decision and actively asks for questions from the
participate in this discussion and feel as though they have had a hand in the proc
falls with the manager. This decision-making method helps build trust between w

Consults: the leader makes a decision and invites the workforce to ask questions
previous category, the manager takes any questions into consideration to ensure
for the business. This method helps build motivation of the workforce.

Joins: the leader presents a problem to the team and asks for any suggestions o
discussion helps the leader, who still ultimately makes the final decision. This me
working with teams that have specific knowledge that assists decision-making.

Delegates: the leader outlines a problem and hands decision-making to member
specific parameters that they cannot cross. The team must solve the problem an
though responsibility still falls with the leader. Leaders using this method must h
with their workforce.

Abdicates: the leader completely relinquishes problem-finding and decision-mak
team has the freedom to solve issues in whatever way they see fits the objective
however, still falls with the leader in the end and so the team must be able to ha
demonstrate complete self-control.

3.2.1. Questions

Please write your answers on a separate piece of paper or in an exercise book.

1. Tennis Elbow is a manufacturer of sports equipment. Since its inception, th
with 30 employees) has been led in an autocratic manner. The firm is now
to become more laissez-faire.

   Consider the positives and negatives of changing from autocratic to laisse
Elbow on what it should do.

2. Describe how management and leadership differ.

3.2.2. Understanding Management Decision Makii

Key Points Covered

- The Difference between Risk and Uncertainty
- Opportunity Cost
- Decision Trees
- Influences on De

Businesses make decisions all the time. These decisions can involve anything fro
hiring more staff to moving locations, buying equipment or making capital invest
decisions, a business must gather all the facts – at least, all the facts it is possible
decision-making based on historical *data* – i.e. what happened in the past will
sometimes it is impossible to tell and so business leaders must use their *intuitio*
both data and intuition.

The Difference between Risk and Uncertainty

All business decisions carry with them a degree of *risk* or *uncertainty* and potential for *reward* (i.e. what a firm expects to get out of its business decision if it is successful). The words 'risk' and 'uncertainty' are often used to mean the same thing; however, a subtle distinction can be made between them.

Uncertainty: this is a negative effect that comes from the general course of busi
the costs and rewards for businesses in ways they cannot possibly predict. As su
for uncertainty – however, they can be prepared! Many firms build themselves p
services. This way, should one product start to fail due to unforeseen circumsta
making enough sales in order to survive (thanks to its other products).

Risk: like gamblers, firms take risks with every decision they make in the hopes t
reward. A new investment, for example, can either succeed or fail. Firms use risk
to assess the potential impact of their business decisions, weighing the potential
The main objective here is to achieve the greatest reward with the least amount
risk and uncertainty, therefore, is the amount of control a firm has over it.

Let's use capital investment as an example:

Businesses undertake *capital investment* for many reasons, such as to *replace* bro
modern equipment or to help expand their operations. Whatever the reason, capi
business's finance for a considerable number of years and so it is important that t
is made.

If a new piece of machinery costs £25,000, but could potentially double current s
then weigh up the risk against the reward. Is doubling sales enough to pay for th
time will it take to pay off the £25,000? How long will the machinery last before
another one? Will the company need to hire more staff as well?

There is uncertainty, too: the investment could fail, or the business's products could
consumer market. Does the business have enough other products in its portfolio to
of uncertai

Opportunity Cost

This is an *economic term* that defines true or real cost, in *non-monetary* terms, a
up) the *next best alternative* when making a decision. Opportunity cost implies t
what is sacrificed to get it. This is an extremely important concept for an entrepr
new business or product.

If an entrepreneur decides to invest time and money in one particular project, th
the value of the *next best* project that could have used those resources (time an

Opportunity cost does *not separate cost from benefit* – instead, it allows an indiv
its cost *in relation to the benefit* of the *next best* alternative choice.

Assuming that only one of the alternatives is available for a choice then the *seco*
The second choice is given up in order to have the first.

Examples:

The Choice Made	The Possible Opp
Build a new motorway	A new hospital
Go on holiday	A new HD television
Repay a loan	A new computer
Go to the cinema	A trip to the zoo
Study for an examination	A trip to a theme park
Buy a music CD	A DVD movie
Become an arable farmer	A dairy herd
Employ extra staff	A machine purchase

Decision-making and Opportunity Cost

A traditional business is made up of many individual departments, each with its o
are the *goals* (or *targets*) that the department intends to achieve by pre-determ
departments should be interdependent, working together with the aim of fulfilli
as stated in its *Mission Statement*.

The following table shows different departments and the objectives they may ha

Department	Objectives to be Achie
Marketing	To have a dedicated, well-trained and highly-mot To achieve or exceed their monthly or weekly sal
Production	To sustain efficiency by having the most up-to-da To have a highly motivated production team.
Human Resources	To employ the right people for the jobs available. To foster and maintain good industrial relations.
Finance	To maintain a positive cash flow for the business. To manage the business's finances efficiently.

Not all objectives can be achieved in a business – at least, not all at the same tim
goals of the company, some department objectives may need to be discarded. T

For example: a business may give more funding to its marketing department than
because the current plan is to promote its products rather than improve its machi
action dropped in order to put investment into the marketing department would b

Using this example, the business in question should also consider the following:

1. What are the consequences of selective investment, i.e. in a particular depa
2. What are the opportunity costs of such decisions?

Decision to Invest in	Possible Positive Consequences	Possible Negative Consequences
Marketing	• Increase in team size • Increased motivation • Possible sales increase • Improved training	• Demotivation of other departments • No new production machinery • Poorer cash management • Mundane selective procedure
Production	• Additional workers • New machinery • Increased motivation • Increased output	• Demotivation of other departments • Possible loss of sales • Poorer Human Resource management • Possible cash flow problem
Human Resources	• Better staff management • Increased motivation • Additional workers • Better selection • procedure	• Demotivation of other departments • Fewer new sales • Poorer financial management • Less efficient production
Finance	• Additional [illegible] • Equipment upgrade • Increased motivation • Better cash management	• Demotivation of other departments • Poorer sales • Ineffective selection process • Inefficient production

What other opportunity costs may arise by investing in one department rather t

Decision Trees

As we saw in the previous few pages, business leaders can make decisions based on intuition or on data. When it comes to data, *decision trees* come in very handy.

Decision trees help businesses to make the right choice. They are graphical representations of business decisions. They consider the choice in question, the probability of its success and the potential financial gain. Decision trees show businesses three key pieces of information:

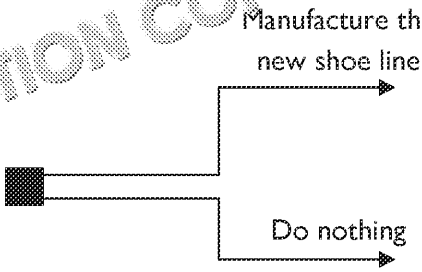
- The options that are available
- The possible outcomes
- Where the business decision needs to be made

The end goal of a decision tree is to show the business the value of success or failure for any given option. The option with the most value and the highest probability of success is often the right choice, but it depends on the business and its market.

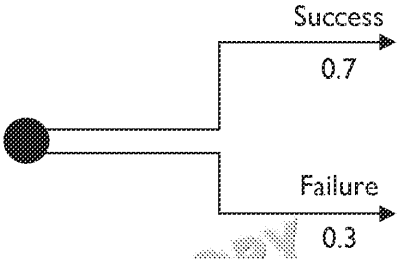
Let's use an example:

Rubber Sole Ltd specialises in manufacturing running shoes for athletes and for sports fashion. The company is considering the manufacture of a new line of sports shoe.

1. Decision:
   The decision is either to manufacture the new line or to do nothing. So far, t



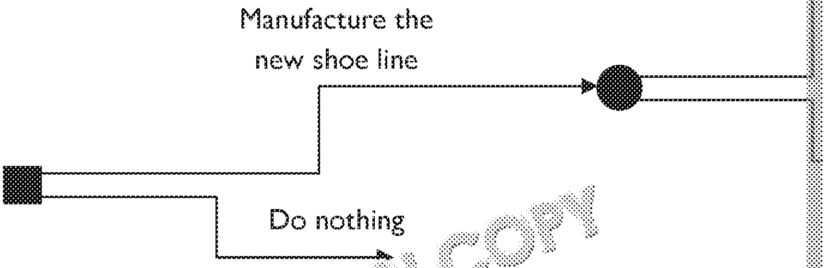
2. Probability:
   Whenever the company has introduced a new shoe in previous years, it has h
   Rubber Sole Ltd can use this historical data, therefore, to predict the possible



   Since historical data tells us that a new line of Rubber Sole Ltd shoes genera
   per cent, we can convert this into a probability ratio of 0.7. This means that
   because the ratios must all add up to 1.

Note: decision trees show both squares and circles. The squares indicate busines
circles mark chance (i.e. out of control of the business) and so there is a probabil

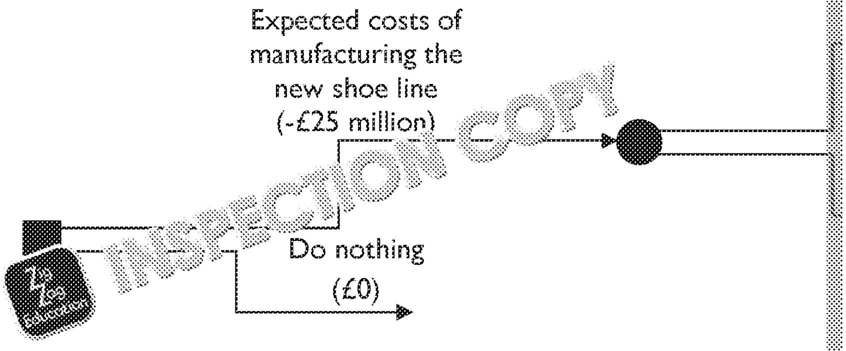
3. Decision tree:
   If we put both the decision and probability sections together, we have a dec



   We now see that Rubber Sole Ltd can either decide to manufacture the new
   go ahead, it has a 70 per cent chance of success.

   We have a lot of useful information now, but it's not quite enough. Businesses
   probabilities of their decisions, they also want to know the possible costs and
   look at *net cash* and *net gain*.

4. The new line is expected to cost £25 million to manufacture. If it is successf net cash flow. A failure will only earn the company £7 million. If the compan new line, their change in cash flow will be nothing.



5. We now have the potential reward in cash flow if Rubber Sole Ltd decides to m cash flow if the firm fails. The net gain for success would, therefore, be £25 mill success – £25m cost of manufacture). However, we have not taken into accoun failure.

We calculate the probable reward using the following method:

Reward for success = £50m x 0.7 = £35 millio

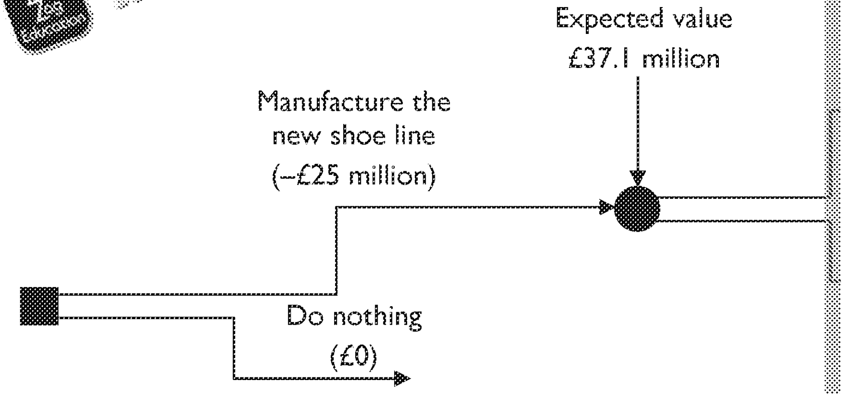
Reward for failure = £7m x 0.3 = £2.1 million

6. Using the figures for success and failure, the *expected value* for manufacturing

Expected value = Reward for success + Reward for

Expected value = 35 million + 2.1 million

Expected value = £37.1 million



7. Finally, the company can calculate the net gain of manufacturing the new li of the decision is £37.1 million and the expected cost of manufacturing the

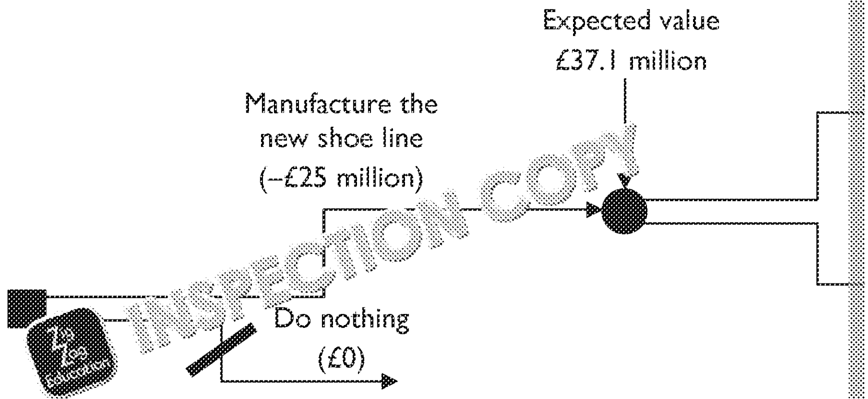
Net gain = Expected value – Expected costs

Net gain = 37.1 million – 25 million

Net gain = £12.1 million

The net gain that Rubber Sole Ltd can expect for manufacturing the new line represents enough cash flow for the business, then Rubber Sole Ltd will cho rather than doing nothing.

The fact that Rubber Soul Ltd has decided to go ahead with the new shoe lin
the alternative decision.



The Value of Decision Trees

Businesses uses decision trees for all manner of choices, such as whether to mak
new product. Some of the benefits firms get from decision trees include:

- Decision trees make businesses focus on uncertainty, ensuring managers
- They lay things out so that businesses can see the whole picture – it is easy
- Decision trees present choices and chance in a logical, easy-to-follow for
- The trees show not just probability, but value too
- They are especially useful for businesses when forecasting something tha
  such as using historical data on previous product launches to predict the
- Decision trees are a great method to ensure businesses actually analyse

Decision trees work best for routine, tactical decisions rather than strategic ones
facets to a change in strategy that cannot possibly be accounted for with a simpl

Influences on Decision Making

There are many factors influencing businesses at all times. This is true for deci
more to look at than the value and probability of a decision's success.

The mission of the company can directly influence the decision-making process.
Rubber Sole Ltd was to become the best-known shoe brand in the world, a decis
clothing market would probably end with a flat 'no'.

The objectives are equally influential to a firm. Following Rubber Sole Ltd's missi
maximisation would likely be an important objective. As such, any opportunity th
would probably not be taken up by the firm.

Ethics are big business. Whether the personal values of the owners or simply the
their consumers want to see, businesses stick to their ethics (most of the time). I
prevented the business from increasing its carbon emissions, for instance, there
decision tree on whether to purchase a new, coal-powered factory.

The external environment plays a large part in how businesses operate and what
environment can include anything from the state of competition (i.e. the competit
physical location of the business (e.g. does the location have space for business ex
consumers and major suppliers. Decisions, such as whether to innovate on a
carefully analysed in order to forecast how a firm's rivals will react and whether co

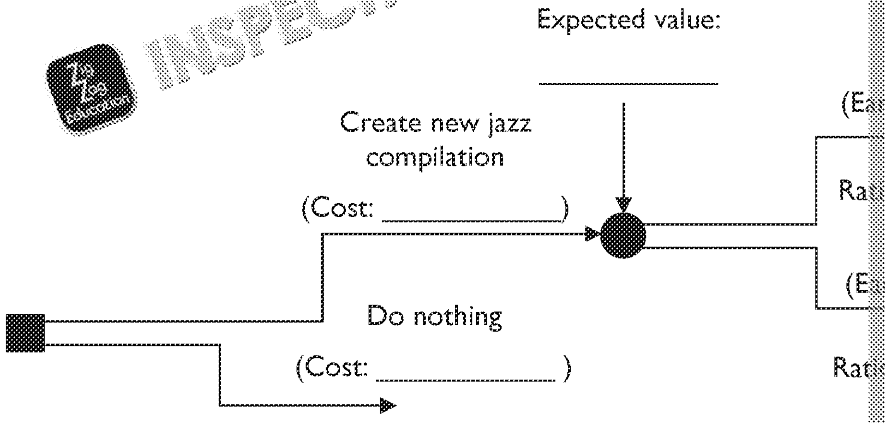
Resource constraints come into many decisions, such as whether a business can
or service. Who supplies the materials? Can the materials be purchased elsewhe
supply, the business must be prepared for this. Business decisions, therefore, ca
what resources are available to the firm.

3.2.2. Questions

Please write your answers on a separate piece of paper or in an exercise book.

3. The following diagram shows a decision tree for Tin-Din Sounds, a UK-base is considering the release of a new jazz compilation album. On average, jaz company £25 million but cost £12.5 million to put together. The average su is 55 per cent. If the compilation fails, the company [illegible] stands to make £3

Copy out and fill in the decision tree below using this information and calc Tin-Din Sounds.



4. Tin-Din Sounds wishes to invest in one of its main departments, but needs Look at the table below and fill in the spaces with a possible opportunity c answer, consider how investment in one department may mean that anot

Decision to Invest in	Possible Positive Consequence for Department	O
city	- Increase in team size - Increased motivation - Improved consumer awareness of Tin-Din's artists	
Artists and Repertoire (A & R)	- Bring in additional artists - Increased development of musicians - Increased output (i.e. more records)	
Human Resources	- Better staff management - Increased motivation - Improved recruitment	
le	- Additional workers - Increase in sales - Increased motivation	

3.2.3. Understanding the Role and Importance of

Key Points Covered

- Stakeholder Needs and Conflict
- Managing the Relationship with Different Stakeholders

Stakeholders come in all shapes and sizes. By definition, stakeholders are any i
have a direct influence on or interest in a business. This might include the owne
shareholders, customers, suppliers and employees, among many others.

Whenever a business makes a decision, it has to consider its stakeholders: their
might have on the business. Some decisions will work out better for different sta
act for most businesses.

The majority of businesses are no longer just interested in what their shareholde
the bigger picture, which shows multiple different individuals and groups inflictin
decisions. Some stakeholders have more power than others and they all influenc
The table below shows a list of stakeholders, their key interests and what power
a company.

Stakeholder	Key Interests	
Shareholders	Survival, growth and profit maximisation	Elect direct
Owners	Survival, growth, positive reputation and acclaimed prestige	Direct miss
Management	Efficiency, low labour turnover, good industrial relations and status	Enforce obj corporate r
Suppliers	High sales, steady growth, good liquidity and a positive reputation	Availability,
Government	Growth, high turnover, high profits, increased tax revenue and environmental awareness	Legislation, practices, c
Financial institutes (banks, etc.)	Repayment of loans/interest, etc.	Removal of
Customers	Low prices, quality product, green credentials and reliable service	Spending p awareness/
Employees	Salary, job security, career progression, motivation	Productivit quality of p
Local community	Safe place to live, low noise, disruption and pollution	Complaints

Table: Stakeholders, their key interests and their power and inf

The power of stakeholders can be broken down into four categories:

Low power, low interest, e.g. unaffected members of the local community
Low power, high interest, e.g. non-management employees
High power, low interest, e.g. suppliers to the company
High power, high interest, e.g. local council

We can draw these stakeholders as a stakeholder map:

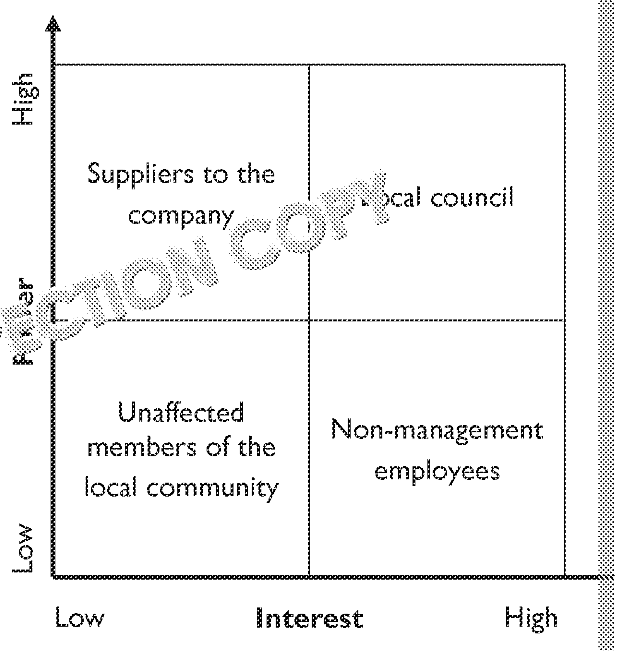


Diagram: An example stakeholder map

Stakeholder Needs and Conflict

Naturally, when it comes to stakeholder needs and power, there can be a conflic such as shareholders, may be extremely interested in high sales and profit maxim such as the local community, may want to ensure their hometown is safe and fre pollution. If a company wishes to expand its operations in order to produce more ultimately increase profits, it will also consider the possible effects to the local co not do this, the community could react by filing complaints with their local counc contacting the press and damage the reputation of the company through word of *stakeholder conflict.*

More examples of stakeholder conflict include:

Management vs Employees: the management of the company wishes to generat producing more goods while the employees are not prepared to work harder un

Government vs Owners: new sustainability legislation means that a company mu in order to reduce its levels of carbon dioxide. While important to the environme potential profits of the company.

Suppliers vs Banks: this conflict occurs as the business needs to keep a positive c also make large payments to its suppliers – if raw materials are not paid for on ti flexibility in setting future payment deadlines, or it will have fewer options for or

Managing the Relationship with Different Stakeholders

Many large corporations opt for the PR (public relations) route when it comes to relationships. If a company comes under fire for paying high management salarie staff salaries and shareholder dividends stay the same, it can hire PR professiona without having to get directors personally involved. This, of course, is not always company is facing pressure from many different sides.

There are two main ways in which companies choose to interact with their stake and *consultation*.

Communication with Stakeholders

While the term 'communication' brings up ideas of discussion and interaction, this is Businesses are simply disseminating key information to their stakeholders. For custo business might offer company information online and social media profiles for news humour). For employees, this communication may be done through monthly meetin while government bodies might receive communications through press releases fro

The main issue with communications is that the business can choose what inform Even with government legislation and the power of external pressure groups (e.g still able to perform unethical procedures without having to admit as much to th companies, such as Chevron and BP, generate $millions in profits from the explo practices have the potential to destroy ecosystems and the livelihoods of the pe so in many cases). Nevertheless, these companies have informative links on the show how much they care about sustainability and the fair treatment of all peop spend all the time and money on eco-friendly publicity when the firms could be technologies and fairer practices for all stakeholders involved?

Consultation with Stakeholders

Stakeholder mapping helps companies decide which stakeholders are their most power and influence while also having the business's best interests at heart. Onc stakeholders, it can schedule consultations with these groups. This is common p helps management keep up to date with what their stakeholders need and want chance to voice their concerns and get feedback from the business itself.

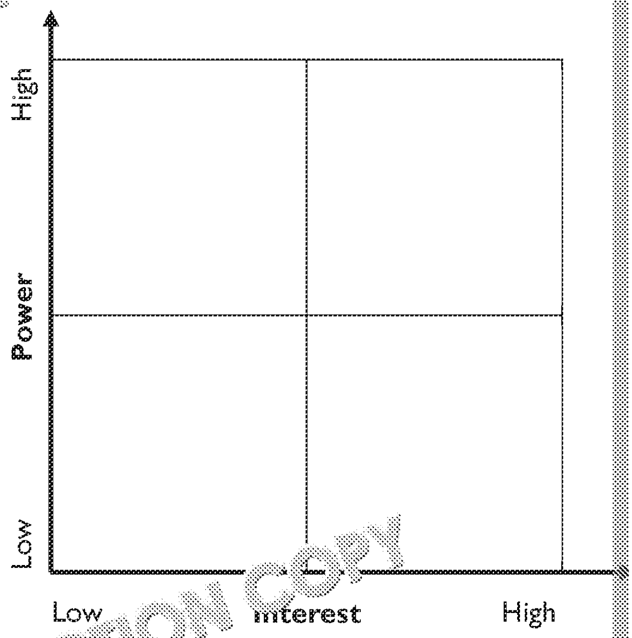
Consultation is especially important for companies when external pressures thre company or product/service. External groups, such as environmental charities, h customers and suppliers, as well as government institutions. If the actions of a st business's profits or reputation, the business will often choose to engage in discu leading to agreements on either side (or sometimes further disagreements!).

3.2.3. Questions

Please write your answers on a separate piece of paper or in an exercise book.

5. The sports equipment manufacturer, Tennis Elbow, wishes to create a ma company has 30 employees, most of whom are low-paid factory workers. materials from one main supplier and sells its products to a select few con Elbow is based in a small town but the company does not have much impa

Using the information above, complete the following stakeholder map and com stakeholder in each quadrant.



6. Below are three pairs of stakeholders for Tennis Elbow. Explain where e might have a conflict of interest.

- Shareholders and Employees
- Suppliers and Consumers
- Business Owners and the Local Community

3.2. Keywords

Leadership:	The direction, inspiration and motivation of a compan
Management:	The day-to-day administration of a business that help
Net gain:	The reward for a business's success minus any costs i
Opportunity cost:	The cost of passing up the next best alternative when
Pressure group:	An organised collection of people who bring attentio [illegible] and environmental degradation
Probability:	The likelihood of something happening
Reward:	What a business receives if a risk is successful, e.g. pr
Risk vs uncertainty:	Risk is generally something that can be planned for; u involves the factors, normally external, that are beyo can take calculated *risks*, but they are generally unab
Shareholder:	A person or organisation that owns part of a private l
Stakeholder:	Any person that has a vested interest in a firm, such a or shareholders

3.2. Answers

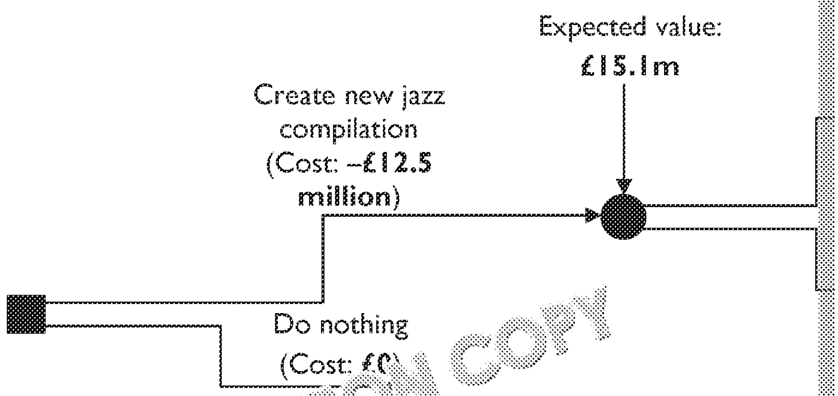
1. *Learners should show their understanding of the difference between autocratic a autocratic leaders make decisions then inform their workforce, while laissez-faire their employees by giving them large amounts of authority and intruding less ofte*

   Learners should also consider which manner would work best for a small business s are still quite small (with 30 employees) and so the business owner may wish to stay processes are completed to standard. On the other hand, a laissez-faire approach sh trusts them, which may make them more motivated to succeed.

   Learners may wish to mention that a change in leadership should only be conside working – this applies to [illegible] Elbow, too. Learners could also suggest that the c leadership style [illegible] could allow more discussion between company members wi away from the main decision-maker(s).

2. *Students should understand that, while leadership involves setting the creative vis the workforce, management is more focused on the day-to-day activities, which e therefore, meet its objectives.*

3. *The following shows a completed decision tree for Tin-Din Sounds and calculation*



Reward for success = 25m x 0.55 = £13.75m

Reward for failure = 3m x 0.45 = £1.35m

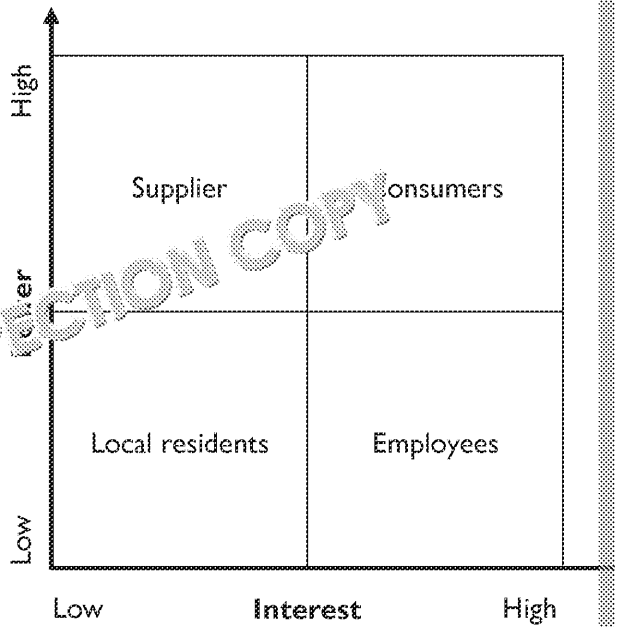
Expected Value = Success + Failure = 13.75m + 1.35m =

Net gain** =Total reward – Cost = 15.1m – 12.5m = **£2.

4. *Table below is filled with possible opportunity costs (answers do not have to be th*

Decision to Invest in	***Possible Positive Consequence for Department***	***Pos***
Publicity	• *Increase in team size* • *Increased motivation* • *Improved consumer awareness of Tin-Din's artists*	*Human r could lea of staff*
Artists and Repertoire (A & R)	• *Bring in additional artists* • *Increased development of musicians* • *Increased output of more records*	*Sales ma lead to T*
Human Resources	• *Better staff management* • *Increased motivation* • *Improved recruitment*	*Publicity priority, opportu play live*
Sales	• *Additional workers* • *Increase in sales* • *Increased motivation*	*Less inve fewer ne Tin-Din becomin*

5. *The following shows a completed stakeholder map for Tennis Elbow.*



6. *Below shows three pairs of stakeholders for Tennis Elbow and where each might h of interest.*

   Shareholders and Employees: *While shareholders might be looking for higher p dividends, employees may rather that higher profits were spent on increasing sala working conditions.*

   Suppliers and Consumers: *Tennis Elbow's consumers may demand more produc raw materials can fulfil.*

   Business Owners and Local Communities: *The business owners wish to expand space in order to do so. This may bring about pollution and/or congestion and go local community.*