



Master Consultants Ltd
Growing People, Growing Organizations

COURSE OUTLINE

BUSINESS MANAGEMENT & ADMINISTRATION

Westcom Point, 2nd Floor, Mahiga Mairu Avenue, Westlands, Nairobi.
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Module 1 - Planning and Forecasting

Setting the objectives of a business:
their achievement the principal reason for its
existence The profit motive in the private sector
The basic policies of a business: its attitudes towards
achieving its objectives
Plans as routes to objectives, the necessity for
planning, types of planning
Forecasting: determining the probable course of
future events which might affect a business and
its activities
The relationship between planning and forecasting

The Modern Business World

The public sector and the private sector
Types of businesses: industrial, trading and service-providing
Sole-proprietor businesses, business partnership firms,
limited liability companies, the meaning of limited liability
The board of directors:
its responsibilities, executive and non-executive
directors, the managing director, the chairman
Channels of distribution: wholesale and retail businesses
Types of trading enterprises: co-operative enterprises,
chain stores/multiple shops, department stores,
supermarkets
and hypermarkets, do-it-yourself (DIY) businesses,
franchising, mail -order businesses, online sales and
websites
Own brands and private labels:
reasons for their use

Module 2 - Capital and the Financing of Businesses

Commonly used terms explained:
fixed assets and current assets
liabilities
debtors and creditors
The meaning of capital:
working capital
the funds forecast
Raising the capital for sole-proprietor businesses and
partnership firms
The capital of companies:
ordinary and preference shares
Computing the initial capital requirement of a new business
Management of working capital components
The importance and control of liquidity
Capital and revenue income and expenditure:
direct expenditure
overhead expenditure
Raising additional finance:
bank loans and overdrafts
mortgages and debentures
leasing/contract hire/rental
sale and lease back
hire purchase (HP)
Depreciation



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Module 3 - Factors to be Considered in Starting a Business

The business plan

Initial capital:

- why it is needed

- expenditure which might have to be incurred before the business commences operations

Why a reserve of capital is essential:

- events over which management has no control which can disrupt business

The link between capital and ownership of a business:

- what is meant by - and is necessary - for control of a company
- dangers in surrendering control

Avoiding problems in business partnerships:

- partnership agreements

Assessing market potential:

- the meaning of the term "market" in business

- creating a market

- market research:

 - consumer research and market surveys

 - necessities and luxuries

 - consumer choice The effects and dangers of competition:

 - assessing its strength

 - how some businesses still prosper despite competition

Using knowledge, experience, skills and abilities:

- dangers in lack of experience

- possible problems of relying on partners or skilled staff

Location of businesses:

- types of businesses which rely on "passing trade" and

 - those which do not

- location in relation to:

 - the natures of products, and

 - the classes of customers

special facilities or needs of some businesses

The availability of premises in the right location:

- their costs to buy or rent

- compromising between favourable and adverse features of locations

Business models:

- why they are created, what they contain, variety of uses

Additional Factors to Consider in Taking Over a Business

Why existing businesses may be purchased

Ascertaining the real reasons why a business is for sale:

- assessing its profitability and real value

The asking price of a business:

- the meaning of goodwill and how it arises

Negotiating with the vendor on price, assistance, on

- undertaking not to set up in competition

- the sale agreement

The renting of premises:

- the lease, the landlord and the tenant

- what to look for in leases:

 - provisions for rent revisions, hidden extras

Module 4 - Business Organisation

The delegation of responsibility:

- meaning and need for

- delegating in the right way

- benefits of delegation

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How businesses expand:

- the development of sections and departments

Planning the organisational structure of a new business

Reorganising the structure of an existing business

Spans of control

Types of organisational structure:

- line, functional, line & staff

- possible advantages and disadvantages of each

Organisation charts:

- types of representations

- benefits in their use

- dangers to avoid

Communication in Business

The meaning of communication

- why effective internal and external communication

- are essential for business success

Advantages/benefits to a business of effective communication

Internal communication:

- vertical - upwards and downwards

- horizontal or lateral - the flow of information

Why management must ensure the smooth flow of communications

Dangers of not keeping employees fully informed:

- the grape vine, rumours and speculations

The importance of good communication with external sources

Module 5 - Budgets and Budgeting, Pricing Policy

What budgets are:

- why budgeting is important for business success

Benefits to management which can

- accrue from budgeting

Budget preparation

Limiting factors

Sales budgets

Production and purchasing budgets

Cash budgets,

- with practical examples

The master budget

Budgetary control:

- budget review statements and variances

- dangers of inflexible budgetary control

Standards in business:

- how and why they are set

- ideal and attainable standards

Factors which can determine or influence

- the selling prices of products

Module 6 - Credit Control and Discounts

The meaning of credit

Common forms of credit:

- the monthly account

- fixed periods of credit

- credit and debit cards

The importance of credit to both vendors and customers

Using credit for purchases as well as to boost sales

Risks in allowing credit

Methods of credit control for various forms of credit:

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reducing or avoiding bad debts
Bad debts and accounting provisions for them
Discounts:
trade discount
quantity discount
regular custom discount
prompt payment discount
cash discount
when and why they are offered
Dangers in the offers of discounts
Taking advantage of discounts offered as well as allowing them

Module 7 - The Management of Personnel

The "Human Resource"
Recruitment of personnel:
Internal recruitment:
advantages, avoiding problems
External recruitment:
possible sources
Job descriptions
Job analysis
Employee specifications
Attracting suitable applicants:
posters, advertisements and websites
employment application forms
Selection:
Interviews:
purposes and importance
preparation, planning and conduct
selection tests
Appointments and dealing with unsuccessful candidates
Induction:
environment induction and job induction, the trial period
Follow-up and establishing good relations
Advantages of the training and development of personnel
Principles of a good personnel policy
Attitudes necessary towards subordinates:
the right approach to subordinates
Building respect and loyalty:
setting good examples
Disciplinary action
Employee counselling
Resignations:
exit interviews
unintended resignations
retirement
Remuneration policy:
problems for management in formulating a balanced policy

Module 8 - Stock & Inventory Control

The importance of good stock/inventory control and stores management
Relationships between the Stores and other departments:

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production, sales, purchasing, etc
Costs involved in maintaining stocks:
 why stocks have to be maintained despite the costs
The importance of setting the correct stock/inventory levels:
 consequences of holding excess or insufficient stocks
Factors to be considered in setting stock levels for different items
Different types of stock levels
Stock records:
 the need for accuracy
 information which may be contained in stock records, and why
Why stocktaking is carried out and what it involves:
 periodic stocktaking and continuous stocktaking
 spot checks
 dealing with discrepancies
 stocktaking by independent auditors
Computerised stock management & control systems

Principles of Purchasing

Professional buyers:
 the importance of skilful buying
Obtaining information from suppliers:
 catalogues, price lists, quotations, estimates and tenders
Factors which influence the suppliers with whom orders are placed:
 price, proven quality, reliability and service, discounts and credit terms
 advertising and publicity support
 manufacturers' guarantees and warranties
Sizes and frequencies of orders:
 influencing factors
Placing orders: orally, using order forms, by letter
Receiving procedure:
 checking incoming consignments
 goods received notes and delivery notes

Module 9 - Sales and Marketing

The importance of salesmanship:
 the selling task
Filling wants or needs
Selling the "benefits" of products
The ingredients necessary for a sale to take place
Selling without the physical presence of sales personnel
Differences between consumers and corporate buyers:
 their differing buying motives
Retaining regular customers
The steps leading to a successful selling transaction
Responsibilities of sales and marketing managers
Advertising and publicity:
 variety of media, indirect and direct advertising and publicity
Advertising on websites
Social media and viral marketing
Smartphone applications (apps)
Sales promotion campaigns:
 what they are designed to achieve, special offers, the loss leader
Window displays and interior displays:
 attracting favourable attention

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The sales team:

- training

- differences in the work of sales assistants and commercial travellers

- The importance of full product knowledge

Sales demonstrations:

- their importance, common pattern of stages

Sales records:

- what they comprise and their value

- compilation and interpretation

- the sales office

Public relations (PR):

- its importance to all businesses

- what is involved and how it differs from advertising and publicity

Module 10 - Production Management and Industrial Administration

What production involves

Factors to be considered before production commences:

- the market, design and technical considerations

- production resources, support services

Production policy:

- matters encompassed:

- product range, specialisation and diversification production

- levels, unit cost at different levels of production financial

- resources

- expansion

Methods of production:

- job, batch and flow/continuous production

Factory location:

- the general area

- the site

- features which can influence selection

Types of buildings:

- custom built

- single-storey and multi-storey

- advantages and disadvantages

- converting buildings from other uses

Factory layout and design:

- the most efficient and effective utilisation of space available

- positioning of machinery

Supervision of the workforce:

- work study

- the division or specialisation of labour

Machinery, plant and equipment:

- specific-purpose and general-purpose machines

- maintenance

- factors to consider in buying/hiring plant and machinery

Materials handling:

- the need for a smooth flow

- manual and powered handling equipment

- accident prevention

Production planning and control:

- responsibilities

- progress control

- methods and types of inspection

- work study

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Costing:
costing terms
the value of a well-designed costing system to management
Standard costing: advantages
types of standards, variances

Module 11 - Financial Accounting

The need for complete and accurate accounting records
properly interpreted and used
Principles and rules of double-entry bookkeeping
The books of account:
the ledger, the cash book, the sales book
the purchases book, the returns book, the journal
Ledger accounts:
debit and credit sides - what they record
posting and balancing
The trial balance
Accounting concepts:
capital as a liability of the business
the business as a going concern
accounting for all income earned and expenditure incurred
consistency
Manufacturing and trading accounts:
why they are prepared
the significance of gross profit to management
ratios and comparisons
the rate of stock turnover
Profit & Loss Accounts:
why they are prepared
ratios and comparisons with previous periods
Balance sheets:
what they contain and why they are prepared
comparisons with previous accounting periods
the effects of the profit or loss made
Interpretation of final accounts
Computation of working capital
Common accounting ratios and their formulae
Studying the balance sheet of a business

Module 12 - Office Organisation and Control

The functions of the office:
its concern with information
Centralisation and decentralisation of offices:
clerical centres
Office location and planning:
multi-room and open-plan layouts
advantages and disadvantages of each
The avoidance of overcrowding in offices
Minimising staff movement and O & M studies
The necessity for adequate lighting, ventilation, heating/cooling,
WCs/toilets and cloakrooms
Supervision of different categories of office personnel
The prevention of accidents in offices:
action which can be taken by office managers

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Providing the right office environment:

- walls, ceilings, floor coverings, lighting, ventilation, heating/cooling

Office furniture and furnishings:

- utility and cost, image and status symbols, standardisation

Action necessary to ensure harmony amongst office personnel:

- possible causes of friction

Desirable features of office desks and chairs:

Office machinery and equipment:

- factors to consider in deciding what to buy or hire and what not to use

Computerisation

Operating with and without computer systems:

- factors to consider when computerising

Characteristics of computer systems: what they can do, limitations

The computer system:

- hardware and software

- tailor-made/customised software

- database packages and systems:

 - integrated records and data sharing, practical example

Document and report generation

- financial and statistical reports, management information

Spreadsheets: variety of uses, practical

exampleComputerised accounting:

- facilities offered

- advantages over manual systems

Security of computer data:

- backup copies of data

- data storage and recovery

- off-site data storage and the "Cloud"

- passwords and security codes

- computer viruses and antivirus software

Electronic mail - email:

- avoiding potential problems

- spam emails and spam filters

Remote access to computer systems - VPN connection

Documents:

- storing and filing

- scanning and microfilming

- electronic filing

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