

WA22: PA as a manager

5.8 ACT AS A MANAGER

- LO169 Demonstrate the ability to understand what the organisation is trying to achieve.
- LO170 Demonstrate the ability to make decisions (within the framework provided by the company or organisation) and acknowledge responsibility for them.
- LO171 Demonstrate the ability to achieve a goal by belief in self and own capabilities.
- LO172 Negotiate in the business environment
- LO173 Demonstrate the ability to think ahead (predict) and prepare for the future.
- LO174 Demonstrate the ability to take an interest in the organisation beyond own role.
- LO175 Demonstrate Entrepreneurial attitude



Module Details



Work Area Code:	22
Work area title:	PA as a manager
Unit Code:	5.8
Unit Title:	Act as a manager
Learning Outcomes Ids:	LO169, LO170, LO171, LO172, LO173, LO174, LO175
Learning Outcomes titles:	LO169 Demonstrate the ability to understand what the organisation is trying to achieve. LO170 Demonstrate the ability to make decisions (within the framework provided by the company or organisation) and acknowledge responsibility for them. LO171 Demonstrate the ability to achieve a goal by belief in self and own capabilities. LO172 Negotiate in the business environment LO173 Demonstrate the ability to think ahead (predict) and prepare for the future. LO174 Demonstrate the ability to take an interest in the organisation beyond own role. LO175 Demonstrate Entrepreneurial attitude
Recommended Duration:	7 hours
Trainer:	



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- A **mission statement** is a short statement of an organization's purpose, identifying the scope of its operations: what kind of product or service it provides, its primary customers or market, and its geographical region of operation.

Vision
Mission
& Values



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- A **mission statement** may include:
 - a short statement of fundamental matters
 - the organization's values or philosophies
 - a business's main competitive advantages
 - a desired future state—the "vision"

Vision
Mission
& Values





- According to Chris Bart, professor of strategy and governance at McMaster University, a commercial mission statement consists of three essential components:
 - Key market: Who is your target client or customer (generalize if needed)?
 - Contribution: What product or service do you provide to that client?
 - Distinction: What makes your product or service unique, so that the client would choose you?



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Applying and improving the mission



- **Focus on the end result that the organization produces, not just the tasks individuals perform.**



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Applying and improving the mission



- **Help employees understand the negative consequences of *not* doing their jobs well.**



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Applying and improving the mission



- **Tell stories (of both success and failure) that show how essential your people really are.**



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Applying and improving the mission



- **Foster an environment that reflects the mission.**



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Applying and improving the mission



- **Implement team activities that align with the mission.**



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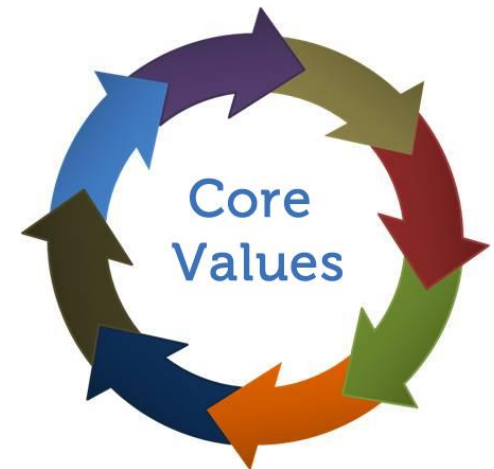


- Every company has core values. **Core values** are the basis upon which the members of a company make decisions, plan strategies, and interact with each other and their stakeholders.





- Core values help companies in the decision-making processes.

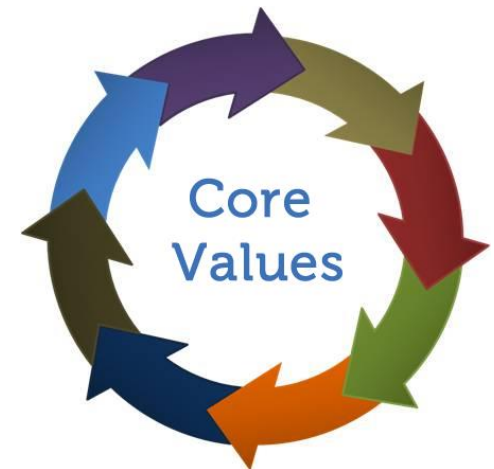


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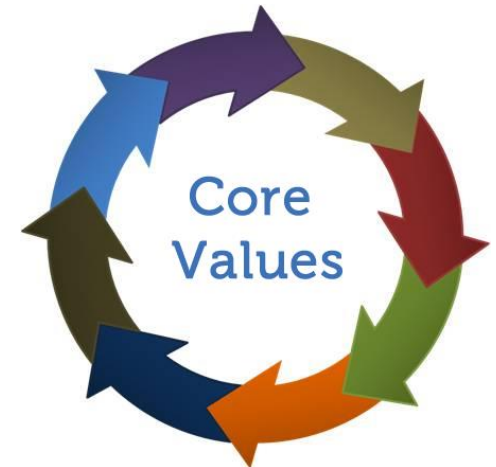


- Core values educate clients and potential customers about what the company is about and clarify the identity of the company.





- Core values are becoming primary recruiting and retention tools. With the ease of researching companies, job seekers are doing their homework on the identities of the companies they are applying for





- When reviewing an organisation's values to ensure that they support the desired culture: -
- identify the values that currently exist in the workplace
- determine if these are the right values for the organisation
- review processes and establish behaviours that will reinforce the chosen values





- After you have determined the values:
 - Are they sufficiently robust to withstand conflicts requiring clarification or resolution?
 - Are they sensitive to the various interests of shareholders and other interested parties?
 - Are they communicated to shareholders and other interested parties in a way that attract their support?





- After you have determined the values:
 - Are they pursued throughout the company's operations?
 - Are they reviewed regularly to ensure their continued appropriateness, support and effectiveness?



Corporate values – some examples



- Accountability
- Balance
- Commitment
- Community
- Diversity
- Empowerment
- Innovation
- Integrity
- Ownership



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Communicating the mission with the team



1. Put the activities in context

2. Understand what can contribute

3. Identify core values

4. Identify key goals

5. A desired future

6. Create the big picture



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Communicating the mission



1. Put the activities in context

- Products, services, management style and other aspects should be relevant and dovetailing with the mission.



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2. Understand and explain what contributes to the mission, e.g.

- Values
- Purpose
- Vision



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Communicating the mission



3. Identify and communicate core values
4. Identify and communicate purposes
5. Picture and describe the future
6. Create and show the big picture, the things you want to achieve



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Methodological tool

Present the mission(s)
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- **Rational decision making** is when you use analysis, facts and a step-by-step process to come to a decision.
- A precise, analytical process that you can use to come up with a fact-based decision.



Rational decision making model



- 1 • Define the problem
- 2 • Identify the decision criteria.
- 3 • Allocate weights to the criteria.
- 4 • Develop the alternatives.
- 5 • Evaluate the alternatives.
- 6 • Select the best alternative.



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Define the problem



- **To define the problem clearly and comprehensively:**
 - 1. Rephrase it**
 - 2. Make assumptions**
 - 3. Get other people's perspectives**
 - 4. Break it down – try to think of examples, causes, etc.**
 - 5. Reverse the problem – maybe you will come up with solutions**
 - 6. Do some research – Look at the facts**



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- **The decision criteria are those variables or characteristics that are important to the organization making the decision. Some examples:**

1. Ease of implementation
2. Cost
3. Morale
4. Risk levels
5. Cost saving
6. Return on investment
7. Increase in customer satisfaction
8. Etc.



Decision criteria weighting



- **Decide which of the criteria are the most important and allocate a certain weight to each**



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Decision criteria weighting - example



- You can allocate a total of 100 points and then allocate a different amount to each criterion, depending on your needs and characteristics, e.g.

1. Cost – 30 pts
2. Morale – 10 pts.
3. Risk levels 10 pts.
4. Cost saving – 25 pts.
5. Return on investment 25 pts.

TOTAL – 100 pts.



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- **Based on the previous steps, develop alternative solutions to the problem.**
 - In case you find it difficult, get some HELP!
- **Then, evaluate each alternative against your criteria**
- **Finally, select the best alternative**



Methodological tool

Make the decision
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Group Discussion: What is Self-Confidence?



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What is Self-confidence?



**CONFIDENCE
COMES NOT FROM
ALWAYS BEING
RIGHT BUT FROM
NOT FEARING TO
BE WRONG**

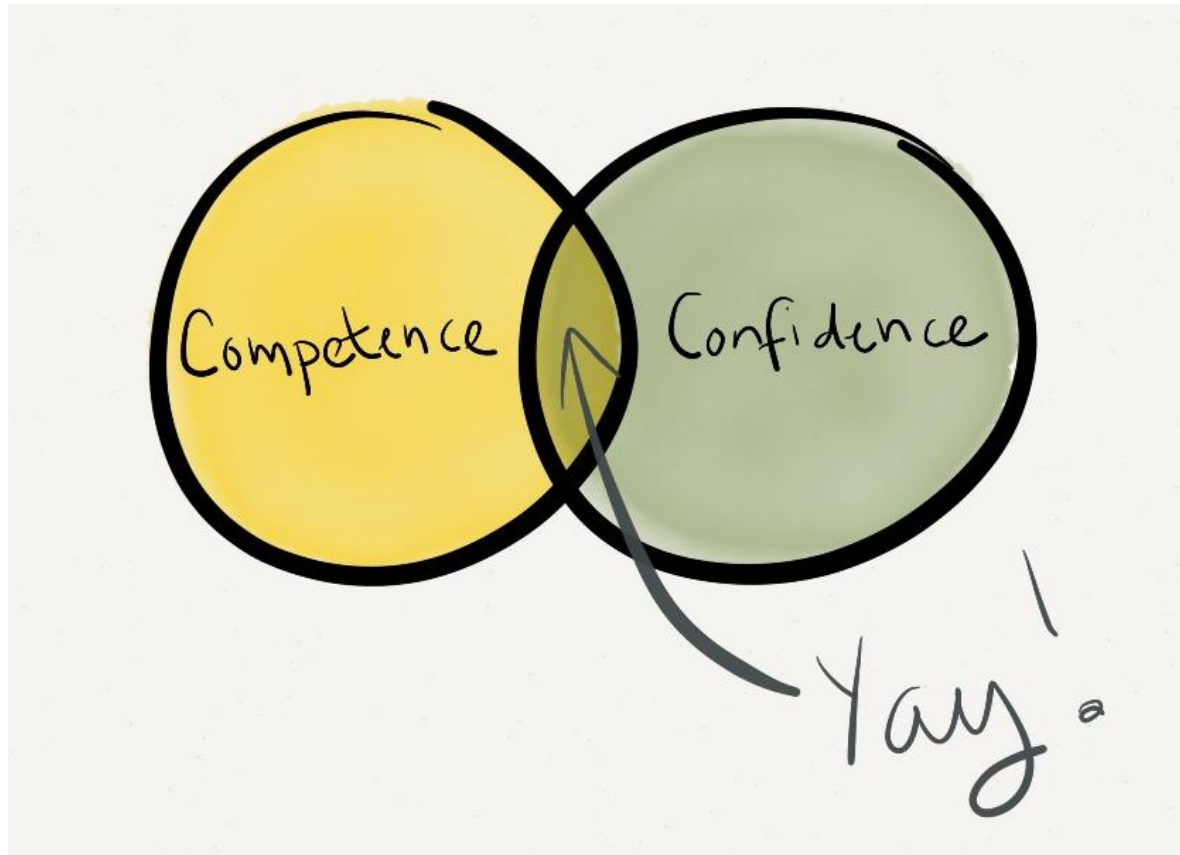
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What is Self-confidence?



What is Self-confidence?

***Confidence is not 'they will like me'.
Confidence is 'I will be fine even if
they don't.'***



What is Self-Confidence?



- Doing what you believe to be right
- Being willing to take risks and go the extra mile to achieve better things.
- Admitting your mistakes, and learning from them.



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What is Self Confidence?

- Self confidence is often the single most important ingredient that distinguishes successful from non successful people.



Building Self-confidence



Self-efficacy & Self- esteem are the most important elements



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You have to...



BELIEVE IN YOURSELF.



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Definitions of Self Confidence

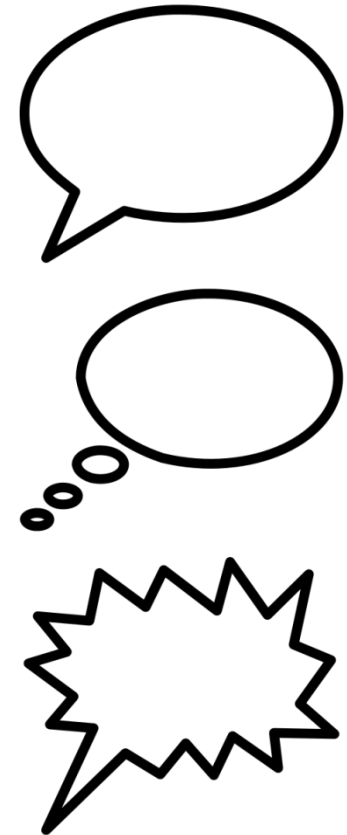
- 'Believe what is in the line of your needs, for only by such belief is the need fulfilled... Have faith that you can successfully make it, and your feet are nerved to its accomplishment.'
(William James, *Principles of Psychology*)
- confidence in yourself and your abilities
(Oxford Advanced Learner's Dictionary)
- A feeling of trust in one's abilities, qualities, and judgment.
(US English Dictionary)



Types of Self Confidence



- Low Self Confidence
- Optimal Self Confidence
- Over Confidence



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Low Self Confidence



- Acting based on what other people think.
- Fear of failure
- Avoidance of risk taking
- “Inferiority Complex”
- Acting based on what **we** think the others think? - Discuss



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Optimal Self Confidence



- Doing what you think is right, even if others do not approve or criticize.
- Deciding with confidence.
- Releasing self-doubt and replacing it with self-confidence
- Making timely decisions with clarity.
- Stop punishing yourself about “wrong” choices.
- Think based on what you, and not other people, want



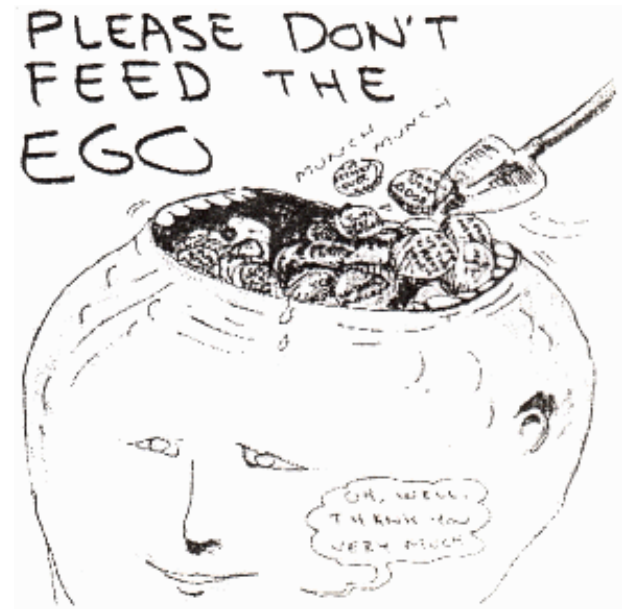
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Over Confidence



- Extremely self confident people can be characterised as egotistic and stubborn.
- “*Superiority Complex*”
- Over estimating ability of self
- Underestimating other people’s abilities
- Not an attractive trait in anyone.



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How to improve confidence



1. **Planning and preparing for the unknown.**
2. Learning, Knowledge and Training
3. Positive Thought
4. Talking to Others and Following Their Lead
5. Experience
6. Assertiveness
7. Avoid Arrogance



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How to improve confidence



- **Try to recondition the way you think about your life:**
 - **Know your strengths and weaknesses.**
 - **We all make mistakes.** Don't think of your mistakes as negatives but rather as learning opportunities.
 - **Accept compliments and compliment yourself.**
 - **Use criticism as a learning experience.**
 - **Try to stay generally cheerful and have a positive outlook on life.**



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How to improve confidence



How to improve confidence



Today you are **YOU**,
that is **TRUER** than true.
There is **NO ONE** alive
who is **YOUER** than **YOU!**

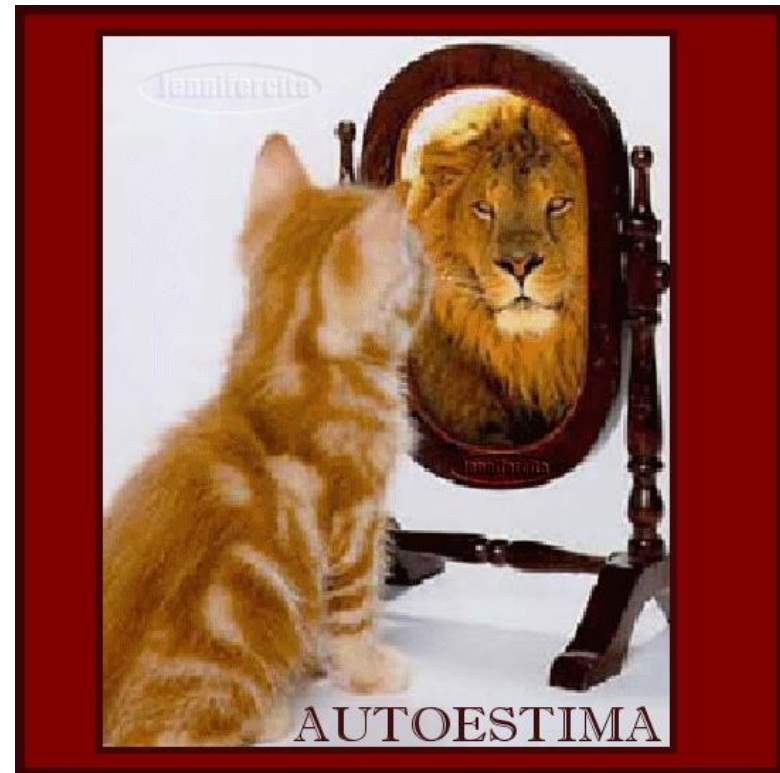


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How to improve confidence

- **IMPROVE:**
 - SELF ESTEEM
 - SELF EFFICACY



Characteristics of low self esteem

- 1) Feelings of unhappiness.
- 2) Feelings of anxiety.
- 3) Feelings of inferiority or superiority.
- 4) Impatience or irritation with self or others.
- 5) Externally oriented goals.
- 6) Negativity.



Characteristics of high self esteem



- 1) Responsibility.
- 2) Goal commitment.
- 3) Genuineness.
- 4) Forgiving.
- 5) Internal values.
- 6) Positivity.
- 7) Self-improvement.



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Self efficacy



In order to succeed, people need a sense of self-efficacy, to struggle together with resilience to meet the inevitable obstacles and inequities of life.

— *Albert Bandura* —

AZ QUOTES



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- Self-efficacy is a person's belief in their ability to accomplish some specific goal or task.
- It generally corresponds to the level of competence an individual feels.
- Competence can vary from one situation to another.



Characteristics of low self efficacy



- 1) Fear of risks.
- 2) Fear of uncertainty.
- 3) Feelings of failure.
- 4) Impression management.



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Improving self esteem



- 1) Eliminate negative self-talk.**
- 2) Recognize strengths.**
- 3) Recognize self-worth.**
- 4) Accept mistakes.**
- 5) Accept rejection.**

I ♥ ME



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Improving self efficacy



- 1) Develop skill set.**
- 2) Modeling.**
- 3) Focus on specifics.**
- 4) Reinforcement.**



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Methodological tool

Confidence test!

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SWOT analysis - revision



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Personal SWOT analysis



Answer the following questions:

- **Strengths**

- What advantages do you have that others don't have?
- What do you do better than anyone else?
- What personal resources can you access?
- What do other people see as your strengths?



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Personal SWOT analysis



Answer the following questions:

- **Strengths**

- What do other people see as your strengths?
- Which of your achievements are you most proud of?
- What values do you believe in that others fail to exhibit?
- Are you part of a network that no one else is involved in? If so, what connections do you have with influential people?



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Personal SWOT analysis



• Weaknesses

- What tasks do you usually avoid because you don't feel confident doing them?
- What will the people around you see as your weaknesses?
- Are you completely confident in your education and skills training? If not, where are you weakest?
- What are your negative work habits?
- Do you have personality traits that hold you back in your field?



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Personal SWOT analysis



• Opportunities

- What new technology can help you?
- Is your industry growing?
- Do you have a network of strategic contacts to help you?
- What trends do you see in your company, and how can you take advantage of them?



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• Opportunities

- Are any of your competitors failing to do something important?
- Is there a need in your company or industry that no one is filling?
- Do your customers or vendors complain about something in your company?



Personal SWOT analysis



- Occasions offering opportunities:
 - Networking events, educational classes, or conferences.
 - A colleague going on an extended leave.
 - A new role or project that forces you to learn new skills, like public speaking or international relations.
 - A company expansion or acquisition.
 - Etc.



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Personal SWOT analysis



- **Threats:**

- Is it too expensive?
- Competition?
- Does it require a big risk?
- Etc.



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Methodological tool

SWOT self-analysis EUPA_LO_171_M_02



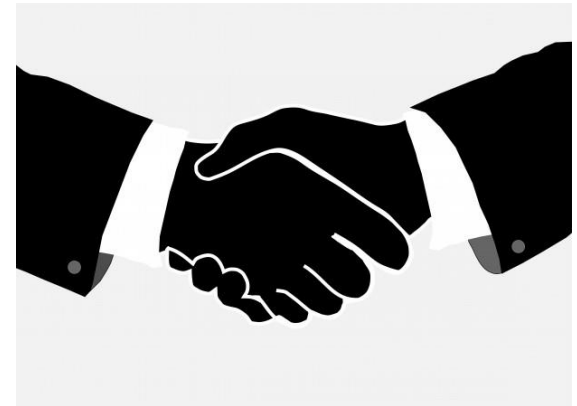
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Negotiation in the business environment



- Negotiating is an integral part of everyday life.
- In the business world it is a critical skill, because poor negotiations may:
 - Negatively affect our company's future
 - Cause us to lose important customers.
- It is not about luck
- It is about:
 - discipline
 - perseverance
 - practice
 - preparation



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Negotiation in the business environment



- In the business environment, we negotiate all the time, with:
 - Clients
 - Suppliers
 - Colleagues
 - Managers
 - Etc.



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- Commercial negotiation consists in three fundamental elements:
 - the actors: the seller and the buyer;
 - the differences: of objective, information, statute, values;
 - the desire of making an agreement;



- It can also be analyzed starting from a field of forces in which:
 - stakes, attitudes and prices interfere;
 - the negotiators' behavior are being defined;
 - the styles of negotiation come into place.



Commercial negotiation: The AIDA method*



*The commercial negotiation framework MARIUS
PETRESCU, ROXANA DINESCU, DELIA POPESCU

- The AIDA method proposes the seller a four step process:
 - The seller must attract the clients' attention by addressing questions or by using a positive and different presentation or by presence and looks
 - The seller must provoke by making a demonstration based upon evidence, tangible facts and by the ingenious maneuver of the merchandise



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Commercial negotiation: The AIDA method*

- The AIDA method proposes the seller a four step process:
 - The seller awakens the client's desire to buy with the use of argumentation techniques
 - The seller must reach an agreement which means to provoke the client to decide by trying to modify the client's attitude and by taking advantage of the opportunities



Negotiating in the business environment, step-by-step



1. Listen and understand the other party's issues and point of view.

- The best negotiators tend to be the ones who truly listen to the other side, understand their key issues and hot buttons, and then formulate an appropriate response.
- Try to gain an understanding about what is important to the other side, what limitations they may have, and where they may have flexibility.
- Refrain from talking too much.



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Negotiating in the business environment, step-by-step



2. Be prepared. Being prepared entails a whole host of things you may need to do, such as:

- Review the background of the person you are negotiating with
- Review what similar deals have been completed by the other side, and the terms thereof.
- Understand the offerings and pricings from competitors of the party you are negotiating with.



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Negotiating in the business environment, step-by-step



2. Be prepared. Being prepared entails a whole host of things you may need to do, such as:

- Advertisements
- Review and understand thoroughly the business of the other party by reviewing their website, their press releases, articles written about their company, and so forth.
- Google and LinkedIn search



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Negotiating in the business environment, step-by-step



3. Keep the negotiations professional and courteous.

- Nobody wants to do business with a difficult or abusive personality.
- Establishing a good long-term relationship should be one of the goals in the negotiation.
- A collaborative, positive tone in negotiations is more likely to result in progress to a closing.



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Negotiating in the business environment, step-by-step



4. Understand the deal dynamics.

- Determine the following:
 - Who has the leverage in the negotiation?
 - Who wants the deal more?
 - What timing constraints is the other side under?
 - What alternatives does the other side have?
 - Is the other side going to be getting a significant payment from you? If so, the leverage will tend to be on your side.



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Negotiating in the business environment, step-by-step



5. Always draft the first version of the agreement.

- You (or your lawyer) should prepare the first draft of the proposed contract.
- This lets you frame how the deal should be structured, implement key points that you want that haven't been discussed, and gets momentum on your side.
- The other party will be reluctant to make extensive changes to your document
- Avoid starting the negotiations with an agreement that the other side will never agree to.
- Balance is key.



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Negotiating in the business environment, step-by-step



6. Be prepared to “play poker” and be ready to walk away.

- Know before you start what your target price or walkaway price is.
- Be prepared with market data to back up why your price is reasonable, and if you are confronted with an ultimatum that you absolutely can't live with, be prepared to walk away.



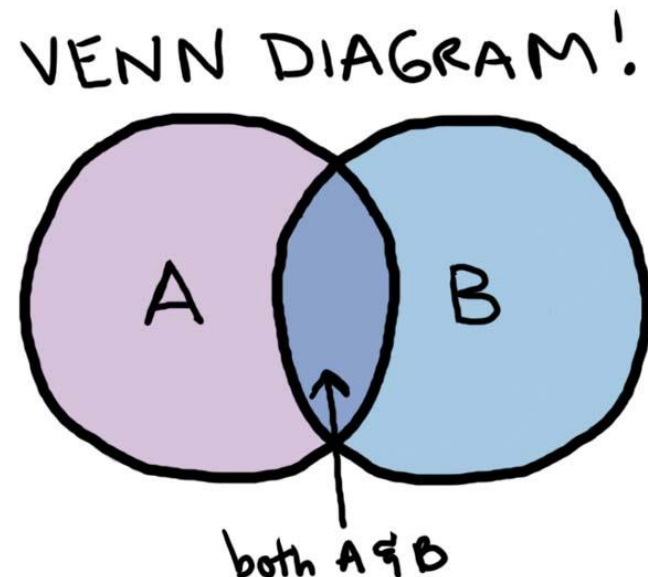
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Negotiating in the business environment, step-by-step

7. Avoid continually compromising

- If you are giving way a point, make sure you get something in return.



8. Keep in mind that time is important.

- When a deal takes long to complete, something might go wrong
- Be prompt at responding
- However, don't rush and make concessions when there's no need.



Negotiating in the business environment, step-by-step



9. Don't ignore alternatives.

- Having alternatives can strengthen your position
- By negotiating with two or more parties at the same time, you can often obtain better pricing or better contractual terms.



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Negotiating in the business environment, step-by-step



10. Don't get stuck in one issue.

- Sometimes it's best to set an issue aside for the a while
- A creative solution may come to you later outside the heat of the negotiation.



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Negotiating in the business environment, step-by-step



11. Identify who the real decision-maker is.

- You want to understand what kind of authority the other person that you are negotiating with has.
- Is he or she the ultimate decision-maker?



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Negotiating in the business environment, step-by-step



12. Don't accept the first offer.

- It's often a mistake to accept the first offer from the other side.
- Counter-offers and some back-and-forth negotiation can work in most cases



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13. Ask the right questions.

- Don't be afraid to ask many questions.



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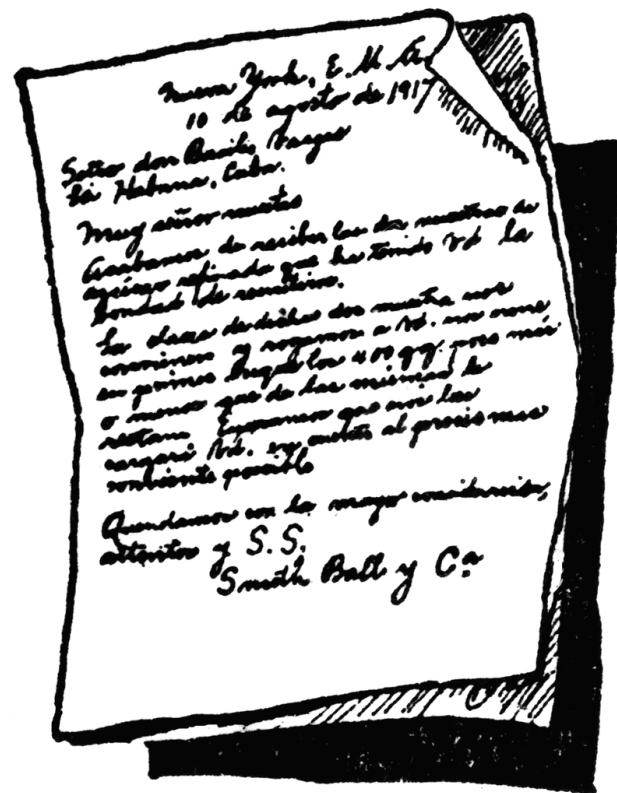
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Negotiating in the business environment, step-by-step



14. Prepare a Letter of Intent or Term Sheet to reflect your deal.

- It is often helpful to prepare a Letter of Intent or Term Sheet to reflect your view of the key terms of a deal.



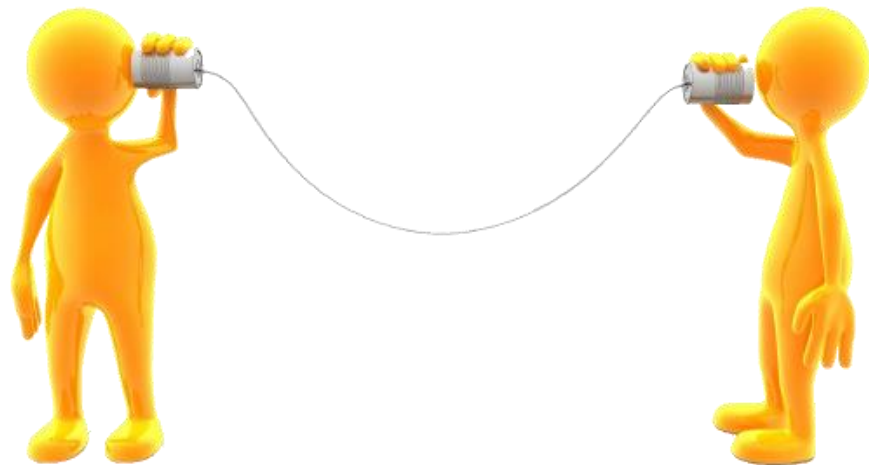
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Negotiating in the business environment, step-by-step



15. Get feedback and advice from your manager, colleagues, lawyers, etc.



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Methodological tool

Negotiation role play EUPA_LO_172_M_01



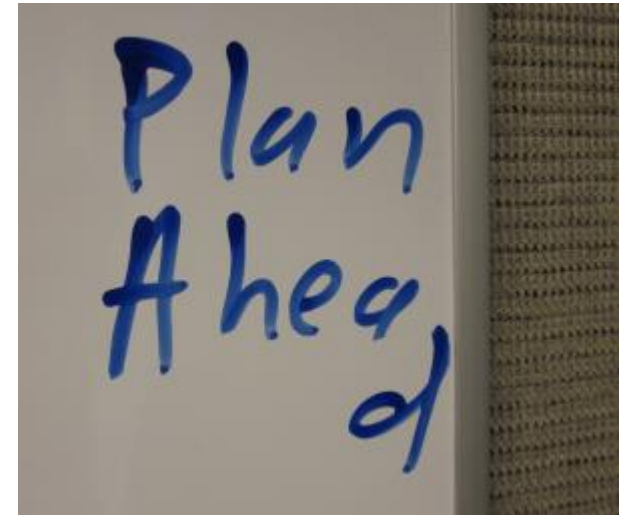
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Thinking ahead in the business environment



- Looking ahead is a critical skill for successful leaders and businesspeople
 - if you can predict your market the rewards can be enormous.
 - Think of the apple pc. Some people “guessed” that a personal computer would be a need in the future, so they made one at a time when computers were huge and expensive.
 - Can you think of other examples?



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Methods for forecasting in the business environment



- **Qualitative Models**

- successful with short-term predictions
- expert-driven
- can be useful in predicting the short-term success of companies, products and services
- limitations due to its reliance on opinion over measurable data



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Methods for forecasting in the business environment

Qualitative models include:

- Market Research: Polling a large number of people on a specific product or service to predict how many people will buy or use it once launched.
- Delphi Method: Asking field experts for general opinions and then compiling them into a forecast.



Methods for forecasting in the business environment



Quantitative Models

- Take the human element out of the analysis.
- Concerned only with data.
- They predict where variables like sales, gross domestic product, housing prices and so on, will be in the long-term, measured in months or years.



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Quantitative models include:

- Econometric Modeling: Instead of assuming that relationships stay the same, econometric modeling tests the internal consistency of data sets over time and the significance or strength of the relationship between data sets.



Methods for forecasting in the business environment



Quantitative models include:

- The Indicator Approach depends on the relationship between certain indicators, for example GDP and unemployment rates, remaining relatively unchanged over time.
- Time Series Methods: This refers to a collection of different methodologies that use past data to predict future events.



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Methods for forecasting in the business environment



- **How Does Forecasting Work?**
- A problem or data point is chosen.
- Theoretical variables and an ideal data set are chosen.
- The forecaster makes some explicit assumptions to simplify the process.



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Methods for forecasting in the business environment



- **How Does Forecasting Work?**
- The forecaster picks the model that fits the data set, selected variables and assumptions.
- Using the model, the data is analyzed and a forecast made from the analysis.
- The forecaster compares the forecast to what actually happens to identify problems



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Thinking ahead in the business environment



- **How to do it? Bill Bartmann's 5-step process:**
 1. Create distance from your business in order to gain perspective.
 2. Think about vectors.
 3. Act before you're totally ready.
 4. Don't assume you know what your customers want and need.
 5. Don't expect social validation and comfort.



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Thinking ahead in the business environment



- **Create distance from your business in order to gain perspective.**
 - Pull yourself back so you're working on your business not in it.
 - You can organise meetings at a restaurant, hotel or bar
 - You can think while in the shower
 - You can take some days off to think



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Thinking ahead in the business environment



- **Think about vectors.**
 - A vector is a force plus a direction.
 - Think about what outside forces are acting on your business, and from what source.
 - E.g. a new product/service offered abroad. Should we “import” it?
 - E.g. 2: a new law is being considered by the parliament. Should we think of a contingency plan in case it passess?



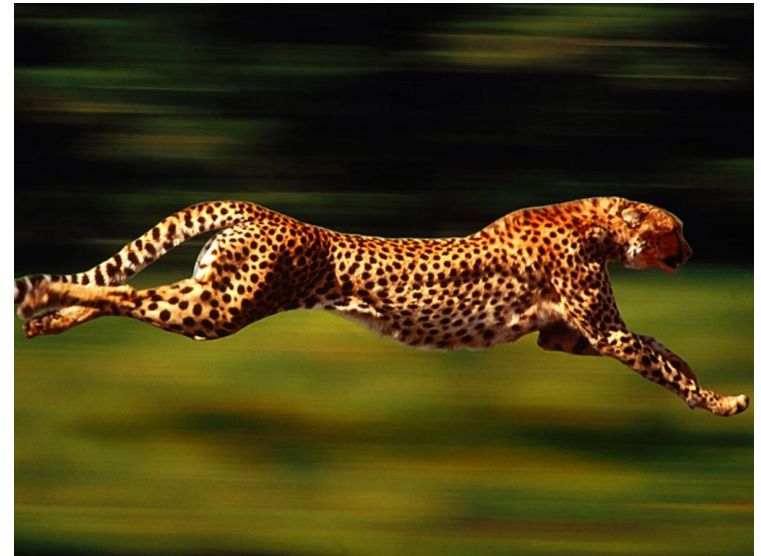
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Thinking ahead in the business environment



- **Act before you're totally ready.**
 - You need to be only slightly ahead of your time.
 - Get used to the feeling of acting on incomplete data.
 - Try to make business decisions based on facts whenever possible.
 - Be more biased toward speed than you are toward complete data.



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Thinking ahead in the business environment



- **Don't assume you know what your customers want and need.**
 - Watch them regularly.
 - If you see a change in sales what does that mean?
 - Do you have enough data points to create a trend line?



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Thinking ahead in the business environment



- **Don't expect social validation and comfort.**
 - Expect the opposite.
 - Your competitors are likely to laugh at you or ridicule you.



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Methodological tool

Thinking ahead EUPA_LO_173_M_01



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1. Legal Limitations
2. Biological Limitations
3. Physical Limitations
4. Technical Limitations
5. Economic Limitations
6. Authority Delegation Limitations





- Delegation of Authority is based on Division of Labour.
 - Authority is the power to take decisions.
 - Delegation of Authority means to grant authorities to people for successfully completing their job.





- In order to understand authority in an organisation, first you need to know what are the responsibilities of each employee.
- When these change, you should be informed, in order to know:
 - Who you will ask
 - Who will have the final decision on minor or major issues
 - Etc.





- In your job, what are the limits of your authority?
- Was there an instance when you had to go beyond those limits in order to help other people?





- According to Michael Frese and Doris Fay initiative is:
- "work behavior characterized by its self-starting nature, its proactive approach, and by being persistent in overcoming difficulties that arise in pursuit of a goal."



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- Initiative essentially is about:
 - doing things without being told
 - Finding out what you need to know
 - Identifying and taking advantage of opportunities
 - **Acting**, not **reacting**





- Initiative is very important in the workplace.
- Organizations want employees who
 - can think on their own
 - take action without waiting for someone to tell them what to do

Be Effective
Take Initiative



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- Enterprise ethics refers to the notion that business knowledge and ethical understanding are critical components of good decisions made at all levels of organisations.







- Sources for new venture opportunities:
 - inefficiency in the market,
 - an idea of how to correct that inefficiency,
 - resources and capability needed to correct that inefficiency.
 - if you see a product or service that is being consumed in one market, that product is not available in your market





- Many sources of ideas come from existing businesses
 - license the right to provide a business idea.
 - work on a concept with an employer who has no interest in developing that business.
 - listening to customers, in order to understand what they want, where they want it, how they want a product or service supplied, when they want it supplied, and at what price.



- listen to what colleagues have to say.





- **The market must be clearly defined and the marketing directed**
 - Can this be done?
 - Most business and product ideas are vague
 - A great product/service will not necessarily sell itself.





- **What is the real problem your idea will solve?**
 - This is an important question you have to ask yourself
 - If the answer is none, it is not a good idea
 - You have to offer **SOLUTIONS!**





- **Does it fit with your business, purpose and objectives?**
 - You cannot juggle many balls at once
 - Everything you do, should be aligned with your overall objectives and long term goals



- **Relationships**

- Having existing relevant relationships with customers, partners, investors, etc. saves time and may reduce risks significantly





- Evaluate the data
- Focus on your weakness and strength
- Division of labour
- Capacity (financially and in terms of human capital)





1. Fairness
2. Integrity
3. Decency
4. Sustainability



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Methodological tool

Opportunities EUPA_LO_175_M_01



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- Describe and apply rational decision making models
- Describe factors setting the framework for own decision making
- Explain why self-confidence is important in work and personal life



- List possible reasons that may drive one to lose self confidence
 - Define self esteem and self efficacy
 - List techniques for building up self confidence for greater success at work and personal life
- Explain the main principles of negotiation



- Explain the process of negotiation and how it is used in business
- Outline commercial and ethical frameworks that are important in negotiations
- Explain the purpose and benefits of understanding the objectives of the other negotiators



- Explain the process of negotiation and how it is used in business
- Outline commercial and ethical frameworks that are important in negotiations
- Explain the purpose and benefits of understanding the objectives of the other negotiators



Applying and improving the mission

- **Focus on the end result that the organization produces, not just the tasks individuals perform**
- **Help employees understand the negative consequences of *not* doing their jobs well.**
- **Tell stories (of both success and failure) that show how essential your people really are.**



- **Act before you're totally ready.**
 - You need to be only slightly ahead of your time.
 - Get used to the feeling of acting on incomplete data.
 - Try to make business decisions based on facts whenever possible.
 - Be more biased toward speed than you are toward complete data.



- Commercial negotiation consists in three fundamental elements:
 - the actors: the seller and the buyer;
 - the differences: of objective, information, statute, values;
 - the desire of making an agreement;



Evaluating risks

- Evaluate the data
- Focus on your weakness and strength
- Division of labour
- Capacity (financially and in terms of human capital)





Occasions offering opportunities:

- Networking events, educational classes, or conferences.
- A colleague going on an extended leave.
- A new role or project that forces you to learn new skills, like public speaking or international relations.
- A company expansion or acquisition.
- Etc.





Well Done!

You have completed this unit



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