Contents

Preface v The Authors	vii
Introduction	1
Chapter 1	Corporate Planning 4 Introduction 4 The importance of competitive advantage 6 Achievement of competitive advantage 7 Analysis of industry and competition 7 Strategic issues pertaining to operational areas 16 SWOT analysis 17 Decisions and implementation 18 The business plan 19 Some issues affecting strategy for the growing business 25 Conclusion 27
Chapter 2	Management Information Systems 29 Introduction 29 Systems analysis 30 Accounting information system 33 Costing information 36 Pricing information 37 The computer decision 40 Implementation of computerised management information systems 43 Conclusion 49
Chapter 3	Financing Growth 50 Introduction 50 Principles of funding 50 Wholly secured funding 51 Venture capital 58 Public listing 64 Other sources of funding 66 Working capital management 69 Conclusion 71
Chapter 4	Taxation Considerations 72 Introduction 72 Tax planning for the shareholder 73 Tax planning for the company 76

x Contents

	Tax planning for acquisitions 82 Remuneration planning for key employees 88
Chapter 5	Marketing 92 Introduction 92 Product development 96 Service 97 Positioning 98 Marketing mix management 100 Conclusion 104
Chapter 6	Operations Management 105 Introduction 105 Establishing customer needs 106 Managing customer service 109 Managing suppliers 115 Managing quality 118 Conclusion 121
Chapter 7	Human Resource Issues—Recruitment, Remuneration and Retention 122 Introduction 122 Manpower planning 122 Recruitment 123 Remuneration and retention 127 Conclusion 129
Chapter 8	Building on Growth 131 Introduction 131 Reasons for acquiring another company 132 Identifying the characteristics of an ideal target 132 The acquisition team 133 Identifying specific targets 133 Valuation of target companies 134 Investigation of the target 139 Post acquisition considerations 141 Conclusion 141
Appendix A	Calculation of the Minimum Equity Stake Which a Ventur Capital Fund Must Take to Achieve its Target IRR— Simple Example 142
Appendix B	Grants 144
Appendix C	PAYE Considerations 150
Appendix D	VAT Considerations 160
Index 165	