

**Household and Business Management**

**Different activities**

**Size**  
Managers are hired by businesses but not by households

**Manpower Planning**  
Businesses must engage in mpp to make sure they have the correct number of employees.  
HHs do not

**Mission**  
Business manager is responsible for producing, marketing a product. HHs do not.

**Tax Calculation**  
Business managers must calculate the amount of tax they have to pay - self-assessment system.  
Employer calculates the tax bill of an employee for person running the hh

**Common activities**

**Cash Flow Forecasting**  
Both HHS and businesses engage in cash flow forecasting (planning activity)  
Plan for inflows and outflows  
Take corrective action to counteract deficits

**Controlling**  
Both businesses and HHS engage in controlling  
Business use stock control to make sure they don't run out of stock  
Families make sure they don't run out of food

**Internal and External Communication**  
Managers use internal communication to give orders to employees. Parents communicate internally to children  
Businesses and households use external communication with banks, government

**Applying for Loans**  
Businesses and households must choose the right source of finance, compare rates offered by different institutions and fill out the appropriate forms