Business Management Vs Business Administration: What's The Difference?

When walking into a business, you see many people as a part of the function. Each is a cog in the system that does its part to make it all work as it should. Finding a career in that system may sound easy but understanding how each work is important.

Degrees in Business Administration and Business Management are the most popular in every size college across the United States. The two are different in many aspects and yet a vital part of every area of business.

They complement each other, without one you could not have the other. Let's explore how they are different, how they work together, and the careers you can find in each.

What Is Business Administration?

Business administration is about carrying out the routine duties and tasks, and sometimes not-so-routine, each day. Administrators direct the workflow to ensure effective operations that contribute to business success.

Administrators are often overseeing the accounting department, contract development, human resources, records management, and oversight.

They may also control business communications inside and outside the organization. Administrative assistants support the workflow by taking on the tasks that administrators need to delegate.

What Is Business Management?

Business managers are often described as the decision-makers who run the company. In a small business, it may be just one person but in a mid to large business, you will find several who work as a team. These managers organize operations and oversee their continuity.

Business management looks at the big picture and the future to make the company as successful as possible. This means they can adjust administrative tasks to match the needs of the business.

This can also translate into creating new positions, or removing unnecessary ones, that administrators will act upon. Management also creates the goals of the company and the strategic plan to meet those goals.

The Followers and Leaders

Leadership and followers are always needed in the realm of business. While our society loves to teach us to always strive to be leaders, the reality is it’s not a job for everyone.

Everyone has their own career goals and wants to be successful at their choice.

Administrators are followers who oversee the routine and take direction from leadership. They are well-versed in business ethics, human relations, and organizational skills. Without these followers, leadership would have no one to lead.

Leadership is for those that can make appropriate decision-making and are willing to use their knowledge to lead the company to success.

They are educated on trends in the market, strategic planning, successful

acquisitions and mergers, and team-building. Followers need leadership so they can help fulfill the company goals.

The Difference In Degrees

The difference in the degrees for business administration and business management are based on the focuses of the education. Students obtaining a business administration degree will get an introduction to business roles so they understand how each one functions and the expectations associated with it.

Once they understand, the business administration students choose a role as their major in the business administration program. For instance, someone may feel really interested and comfortable with accounting.

They choose that as their coursework and move into an accounting position with a business that interests them when they graduate. Or possibly sooner and gain real-world experience while finishing school.

Business management students will learn about specialties but will also focus on studies to improve their leadership skills within the business management degree programs. Courses will include human resources, management, communications, and ethics.

Many will engage in extra-curricular activities that boost the education and provide experience for them before entering the workforce. Leadership roles in business-related clubs, student government associations, and volunteer groups are among those activities most popular with business management students.

Most of these students will work with a degree program to earn a Bachelor’s Degree or Bachelor of Science Degree.

The Difference In The Workplace

How someone finds their career paths will often depend on if they are in management or administration. Those with education in management skills will start in entry-level management positions.

They will oversee daily routines and tasks for a small team or subset of

employees. As they climb the ladder into larger management roles, they will take on more responsibilities and a larger set of employees. They will eventually collaborate with other managers and entry-level managers.

Business administrators start in a specific department, such as marketing or human resources.

They are dedicated to that department and can take leadership roles within that department. Business administrators can move up a corporate ladder within their department within a larger organization, such as global companies.

> *While business administration and management are very different, they work well together.*

Careers In Business Administration

A business career in administration is found in virtually every department of a successful company. Here is a list of departments where you will find business administrators:

- Marketing Specialist – works with teams of marketers and producers to build campaigns around products and services. They identify and analyze target markets and work out plans to market to them. They often work on content creation and management, product marketing, and marketing analysis.
- Business Analyst – conduct analysis and produce reports on how to improve business. They use computer software programs to build strategies to grow the business. They are often in project management and work on individual projects.
- Accountant – may specialize in accounts receivable, accounts payable, or payroll within the finance department. They produce financial reports to reflect company health and can produce reports for specific departments to ensure they are staying within budgetary needs. Accountants in leadership positions will work closely with other departments to plan around the financial needs of the company and the needs of other departments.
- Human Resources – in charge of current and future employees. They

recruit new employees and may be in charge of screenings, phone interviews, and face-to-face interviews. They are usually involved with conflict resolution between employees. They keep records on each employee relevant to the needs of the employee and for reporting purposes, such as copies of identification and healthcare enrollment. These employees can work up to human resource management and other career options in any growing company.

Careers In Business Management

While business managers aren't known for specializing in specific departments but you are likely to see some specialization within management.

Here is a list of positions people with a business management degree are likely to work in.

- Operations Manager – this manager oversees multiple departments within an organization. Many work with HR, marketing team, information systems, and sales teams to make sure goals are being met and business operations run smoothly. They acquire the resources necessary for employees to accomplish their daily tasks and routines. Operations managers encourage company engagement, organizational behavior, and develop budgets. These positions are sometimes referred as general management.
- Financial Reporting Manager – This manager works closely with the financial and legal departments. They develop strategies to deal with varying costs associated with the business. They analyze financial reports and make decisions as to whether the company can take on a higher or new cost. They make sure all of their reports and engagements are within ethical business law practices.
- Sales Manager – This manager leads the sales team to increase the performance of the sales department. They challenge, motivate, and train employees to meet quotas and break records. Not only do they develop strategies to improve the department, but they are also mentors to the sales team.
- Management Analyst – These managers mainly work with company leadership and supervisors to determine how day-to-day tasks are to be

completed. It becomes especially important when the company grows and those routines and tasks increase. They create manuals that document procedures for effective management. This is achieved by measuring and studying the overall performance of leadership.

Differences That Work Together

While business administration and management are very different, they work well together.

One of the reasons why they work well is because of improved computer software. Such software is often customizable so that it becomes the main software used for each department.

Permissions are granted based on employment status, leadership, and the need to see certain information. It has become a necessity in the business world. If you do not have this type of software in your business, find out how to obtain it by contacting one of our software experts today.

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