

## **ENTERPRISE MANAGEMENT**

### **HUMAN RESOURCE**

#### **Managing Resources**

##### **a. Human resource**

Human resources are the people who make up the workforce of an organization, business sector, or economy. “Human capital” is sometimes used synonymously with human resource (HR) human resources is primarily concerned with the management of people within the organization, focusing on policies and systems. HR is a business field focused on maximizing employee productivity. The department is responsible for overseeing employee benefits design employee recruitment, training and development performance appraised and rewarding employees. Businesses are moving globally and forming more diverse teams. It is the role of human resources to make sure that these teams can function and that people can communicate cross-culturally and across borders.

#### **Functions of the human resource manager**

##### **1. *Recruitment.***

The success of recruiters and employment specialists generally is measured by the number of positions they fill and the time it takes to fill those positions. They advertise job postings, source candidates, screen applications conduct preliminary interviews, and coordinate hiring efforts with managers responsible for making the final selection of candidates. Most organizations prefer to recruit their staff internally on a particular line for a purpose. The following are reasons for an organization to recruit internally:

- Saves time and money- Cutting costs and also minimizing labor turnover. Advertising on job boards or in the press, pre-screening candidates, and conducting interviews are all activities with a price tag attached to them. And for an organization with a high staff turnover, this can be a very costly business indeed. It also consumes valuable HR time and resources which could be better spent focusing on improving morale and productivity among existing staff.
- **Reduces training time.** The time spent by managers and experienced co-workers in teaching and demonstrating the requirements is enormous. An internal recruit would need no orientation and far less training, as they are already familiar with the company processes, goals, vision, and 'way of doing things. They may even be familiar with and have performed some of the tasks in their previous role (i.e. an assistant manager being promoted to manager).
- **Improves productivity.** Organizations with a policy of promoting from within tend to have more highly motivated staff. If a person feels they will be rewarded for dedication and hard work, they are far more likely to take ownership of their position and give it their best efforts.
- **Improves morale.** Rewarding talent and promoting from within engenders a culture of loyalty and stability. Staff absenteeism and retention rates are also likely to be better, which provides a greater return on the time and resources invested in each employee. Staff are more likely to stay with the organization if they are encouraged to improve their skills through further training and can see that there is a definite career path for them.
- **Facilitates succession planning.** Succession planning aims to ensure that the right people are in the right position at the right time to achieve the organization's business goals as well as fill existing positions, internal opportunities can also be created for employees who demonstrate potential. By grooming talented employees to move into higher positions as they become available, the organization can benefit from the skills and talent in its workforce.

- **2. Safety.**

Workplace safety is an important factor. Employees must provide a safe working environment for employees.

**3. Employee relations.**

Employee relations is the HR discipline concerned with strengthening the employer-employee relationship through measures of job satisfaction, employee engagement, and resolving workplace conflict.

**4. Compensation and benefits.**

The HR set compensation structures and evaluates competitive pay practices. The HR may negotiate group health coverage rates with insurers and coordinate activities with the retirement savings fund administrator.

**5. Compliance.**

Compliance with employment laws is a critical HR function.

**6. Training and development and promotion**

Entrepreneurs must provide employees with tools necessary for their success which in many cases, means giving new employees extensive orientation training to help them transition into a new organizational culture.

**EMPLOYEE MOTIVATION**

When employees are motivated sufficiently this increases productivity, lowers labor turnover, and improves overall performance. Key motivating programs mean entrepreneurs can use monetary incentives, rewards, and recognition-building programs that support work-life balance, to simply create a relaxed office environment. The opportunities are endless and the reward substantial. These types of programs could include anything from bonuses, pools, and reward recognitions such as “employee of the month” to spotlighting employees on corporate websites as internal intranets. All will make employees feel connected and part of the success of the business.

*(Read –monetary and non-monetary methods of motivating employees- Human Resource – by G.A Cole).\_*

## **MARKETING**

The term marketing is developed from the Latin word, Mercatus, meaning; “*to trade*”

Marketing is a place where willing buyers and willing sellers meet and exchange goods and services. The objective of all business entrepreneurs is to satisfy the needs and wants of society. Marketing adds value to the products. The value is known as activity - the ability of a product to satisfy customer needs.

### **Market Concept**

The market concept is a consciously articulated philosophy of business that is consumers centered- “the consumer is the king” the consumer is the fulcrum, the pivot point about which the business moves in operating for the balanced best interest of all concerned. Commitment to the customer:- satisfying customers means giving value in exchange for patronage, sales come from both parties agreeing to affair exchange, but more specifically customers buy products and services that they believe are worthwhile; not what sellers feel are important. e.g. Airlines –sells “seats “on the flight but passenger buys “destinations”. This is the reason advertising agencies recognize this fact and compose exotic ads for flights to Hawaii to excite travelers’ desire. The exotic image is the message to customers but success is measured by entrepreneurs who take the time to empathize with prospective learn a great deal of useful information, putting oneself in the customer's shoes helps to understand what motivates them to make the purchase. to the customer, preferences are enhanced by understanding their perceptions. The marketing concept encourages entrepreneurs to tune in those perceptions to marketing research necessary to understand customers’ needs and to make decisions based on those needs rather than rely on pre-conceived notions of the owner’s institution.\_

### **Market research in the pre-startup-phase**

Before entrepreneurs commit themselves to open a business the most important question to answer is- “will it sell”. A mistake many entrepreneurs make is to merely assume that their product or service will sell. Investors become infatuated with their products and assume that everyone else will equally be infatuated.

Good market research will help provide the answer. Marketing is simplistically defined as ‘putting the right product in the right place, at the right price, at the right time. If even one

element is off the mark, a promising product or service can fail and end up costing the company substantially.

## **Marketing Research Process**

The marketing research process gives you a framework to make sure you're collecting useful, relevant data. Half of what we want to collect is customer opinions, which they're glad to share if we know how to ask, and the other half is customer activity.

### **7 Steps to a Marketing Research Process**

#### **1. Define the Question.**

Before you can research anything, you have to know what you *want* to know. That question depends on your business situation, and it also helps define the kind of person you want to get data from. For example, you might be trying to learn, "How can we make our product more appealing to mothers aged 25-35?" If so, you already know the key demographics you'll be working with. Bear in mind, "the question" is not necessarily *a* question that will show up on the survey you're creating – it works to *inform* any questions you ask or other data-gathering methods you use.

#### **2. Set the Objective**

What do you want to achieve? You may have two or more issues you want to research to solve a problem in a community.

#### **3. Collect Data to Inform Your Research Process**

With your core question and objective ready, you can start to build your study. You can collect data from a primary or secondary source.

#### **4. Clarify Your Sample**

Come up with a specific *representative sample* – enough study participants so you have a useful quantity of data. It's from this sample that you will conduct research, therefore, the sample should be sufficient for you to make inferences good/accurate enough to help you make sound business decisions.

#### **5. Do Your Fieldwork**

Once you have figured out how to get your hands on your data, you simply execute on that vision."

#### **6. Data Analysis**

Raw data is not useful. Conduct a data cleaning exercise and analyze the data with the help of computers. We have very modern systems or applications that can analyze. A good example is SPSS. SPSS is a powerful user-friendly statistical software platform that helps in analyzing social statistics.

## 7. Report Your Results

Distill down the actionable lessons and share them with your team to solve a problem in your business community.

The use of a marketing mix is an excellent way to help ensure that ‘putting the right product in the right place. The marketing mix is a crucial tool to help understand what the product or service can offer and how to plan for a successful product offering. The marketing mix is most commonly executed through the 4 Ps of marketing: Price, Product, Promotion, and Place.

These have been extensively added to and expanded through additionally P’s and even a 4C concept. But the 4Ps serve as a great place to start planning for the product or even to evaluate an existing product offering.



[Save](#)

## THE FOUR P'S

### **Product**

The product is either a tangible good or an intangible service that seems to meet a specific customer need or demand. All products follow a logical product life cycle and marketers need to understand and plan for the various stages and their unique challenges. It is key to understand those problems that the product is attempting to solve. The benefits offered by the product and all its features need to be understood and the unique selling proposition of the product needs to be studied. In addition, the potential buyers of the product need to be identified and understood.

### **Price**

Price covers the actual amount the end user is expected to pay for a product. How a product is priced will directly affect how it sells. This is linked to what the perceived value of the product is to the customer rather than an objective costing of the product on offer. If a product is priced higher or lower than its perceived value, then it will not sell. This is why it is imperative to understand how a customer sees what you are selling. If there is a positive customer value, then a product may be successfully priced higher than its objective monetary value. Conversely, if a product has little value in the eyes of the consumer, then it may need to be underpriced to sell. Price may also be affected by distribution plans, value chain costs and markups, and how competitors price a rival product.

### **Promotion**

The marketing communication strategies and techniques all fall under the promotion heading. These may include advertising, sales promotions, special offers, and public relations. Whatever channel is used, it must be suitable for the product, the price, and the end user it is being marketed to. It is important to differentiate between marketing and promotion. Promotion is just the communication aspect of the entire marketing function.

### **Place**

Place or placement has to do with how the product will be provided to the customer. Distribution is a key element of placement. The placement strategy will help assess what channel is the most suited to a product. How a product is accessed by the end user also needs to complement the rest of the product strategy.

### **The Marketing Mix**

#### PURPOSE OF MARKETING MIX

The 4Ps were formalized and developed over the years by experts to ensure the creation and execution of a successful marketing strategy. Through the use of this tool, the attempt is to

satisfy both the customer and the seller. When properly understood and utilized, this mix has proven to be a key factor in a product's success. A mature, intelligent, and innovative marketing manager needs to be at the helm of the marketing mix. This pivotal role means that this manager is responsible for achieving desired results through the skillful manipulation of these variables.

At this point, the marketing manager needs to evaluate placement options to understand where the customer is most likely to make a purchase and what the costs are associated with using this channel. Multiple channels may help target a wider customer base and ensure ease of access. On the other hand, if the product serves a niche market then it may make good business sense to concentrate distribution to a specific area or channel. The perceived value of the product is closely tied to how it is made available.

## **Product**

The company put significant importance on ongoing research to understand the constantly evolving market and consumer dynamics. This knowledge has helped the company develop more innovative new products that fulfill consumer needs. Through this research, it became clear that younger consumers wished for a more specific product that addressed the skin needs of their age category. The need was for a product that offered a beautifying regime for daily use rather than a medicated product that targeted specific skin problems. The latter were abundantly being offered by the competition. The product was subsequently redesigned to meet these specialized requirements.

From the company's perspective, some of the changes helped meet its commitment to the environment which included more efficient packaging to reduce waste, the use of more natural products, and the use of recyclable plastic.

## **Price**

An effective pricing strategy takes into account the product's perceived and actual values. The final price should be based on both these to make the product attractive to both buyer and seller. After its relaunch, Nivea Visage Young was priced a little higher than before to account for the new formula, better packaging, and extended range of products. Since the product is being bought by mothers for their daughters, it remained low enough to remain good value for money. Effective pricing means that sales from this product account for nearly 7 percent of all Nivea Visage sales.

## **Place**

As mentioned, Nivea aims to have a wide reach for its products to ensure that it is easily available wherever needed by the extensive target market. The primary channels used are retail stores. High Street stores such as Boots and Superdrug account for nearly 65 percent of all sales. Another portion comes from grocery chain stores such as ASDA or Tesco. This covers young people making their purchases (mostly high street), as well as their mothers buying for them (mostly grocery stores). These stores ensure a cost-effective distribution channel that has a wide reach. The company manages its own cost by selling to wholesalers rather than directly to smaller stores. It also does not sell online directly, but the product is sold through stockists.

## **Promotion**



Nivea has always tried to base its promotions on the actual lifestyle of its target market. The company does not find above-the-line promotions to be very effective as these are one-way communications through the TV for example. Instead, the promotion is more consumer-led through different below-the-line solutions. Sample sales are a key activity that allows consumers to try out the actual product. There is also an interactive online magazine FYI (fun, young, independent) to increase product visibility and association. The company has also maintained a strong social media presence on popular social media networks. This use of new media has ensured better brand awareness and association among the target audience.

### **Social Media in Marketing.**

Social media marketing is the process of creating tailored content for each social media platform to drive engagement and promote your business. Social media marketing (SMM) uses websites and social networks to market a company's products and services. Today's consumers rush to browse social media when they want to know more about an organization or product because that's where they'll find others talking about that business. If you don't have a social media presence, you'll miss a great opportunity to make an impression.

#### Importance of Social in marketing

1. Improves brand awareness

It increases brand visibility and heightened user experience.

2. Cost-effective. It is touted as the most cost-effective way to market a product, particularly to small enterprises with shoe – a strong budget.
3. Customer maintenance. Companies with a global presence would spend a lot of money to reach each customer. Social media is the best way to have an effective reach to customers through social media tools.
4. Market intelligence.

Customer behavior can be easily captured using special analytic tools such as Google analytics. Customers' interests and opinions are monitored which informs marketers of customer demographics.

5. Enhanced website traffic

It is a crowd-puller via the website. Millennials are tech-savvy and source their data and trends from social media which increases the possibility of a higher conversion rate.

#### Conclusion

Through its successful use of a balanced marketing mix, Nivea Visage Young has managed to create a clear position in the market. It addresses a need felt by a specific niche segment.

Traditional distribution methods are balanced by a unique product and updated promotional strategies. This ensures that the brand message reaches the right people at the right time in the right way.

As we see from the Nivea example, it is vital for any company to focus equally on all elements of the marketing mix while planning for a product. Eventually, there may be a need to divert more resources towards one variable such as strong distribution channels over promotional activities. But this needs to come after a clear plan and strategy has been decided upon.

## **MARKETING**

The term marketing is developed from the Latin word, Mercatus, meaning; “*to trade*”

Marketing is a place where willing buyers and willing sellers meet and exchange goods and services. The objective of all business entrepreneurs is to satisfy the needs and wants of society. Marketing adds value to the products. The value is known as activity - the ability of a product to satisfy customer needs.

### **Market Concept**

The market concept is a consciously articulated philosophy of business that is consumers centered- “the consumer is the king” the consumer is the furculum, the pivot point about which the business moves in operating for the balanced best interest of all concerned. Commitment to the customer:- satisfying customers means giving value in exchange for patronage, sales come from both parties agreeing to affair exchange, but more specifically customers buy products and services that they believe are worthwhile; not what sellers feel are important. e.g. Airlines –sells “seats “on the flight but passenger buys “destinations”. This is the reason advertising agencies recognize this fact and compose exotic ads for flights to Hawaii to excite travelers’ desire. The exotic image is the message to customers but success is measured by entrepreneurs who take the time to empathize with prospective learn a great deal of useful information, putting oneself in the customer's shoes helps to understand what motivates them to make the purchase. to the customer, preferences are enhanced by understanding their perceptions. The marketing concept encourages entrepreneurs to tune in those perceptions to marketing research necessary to understand customers’ needs and to make decisions based on those needs rather than rely on pre-conceived notions of the owner’s institution.\_

### **Market research in the pre-startup-phase**

Before entrepreneurs commit themselves to open a business the most important question to answer is- “will it sell”. A mistake many entrepreneurs make is to merely assume that their product or service will sell. Investors become infatuated with their products and assume that everyone else will equally be infatuated.

Good market research will help provide the answer. Marketing is simplistically defined as ‘putting the right product in the right place, at the right price, at the right time. If even one

element is off the mark, a promising product or service can fail and end up costing the company substantially.

### **Marketing Research Process**

The marketing research process gives you a framework to make sure you're collecting useful, relevant data. Half of what we want to collect is customer opinions, which they're glad to share if we know how to ask, and the other half is customer activity.

#### **7 Steps to a Marketing Research Process**

**3. Define the Question.**

Before you can research anything, you have to know what you *want* to know. That question depends on your business situation, and it also helps define the kind of person you want to get data from. For example, you might be trying to learn, "How can we make our product more appealing to mothers aged 25-35?" If so, you already know the key demographics you'll be working with. Bear in mind, "the question" is not necessarily *a* question that will show up on the survey you're creating – it works to *inform* any questions you ask or other data-gathering methods you use.

**4. Set the Objective**

What do want to achieve? You may have two or more issues you want to research to solve a problem in a community.

#### **3. Collect Data to Inform Your Research Process**

With your core question and objective ready, you can start to build your study. You can collect data from a primary or secondary source.

#### **4. Clarify Your Sample**

Come up with a specific *representative sample* – enough study participants so you have a useful quantity of data. It's from this sample that you will conduct research, therefore, the sample should be sufficient for you to make inferences good/accurate enough to help you make sound business decisions.

#### **5. Do Your Fieldwork**

Once you have figured out how to get your hands on your data, you simply execute on that vision.”

#### **6. Data Analysis**

Raw data is not useful. Conduct a data cleaning exercise and analyze the data with the help of computers. We have very modern systems or applications that can analyze. A good example is SPSS. SPSS is a powerful user-friendly statistical software platform that helps in analyzing social statistics.

#### **7. Report Your Results**

Distill down the actionable lessons and share them with your team to solve a problem in your business community.

The use of a marketing mix is an excellent way to help ensure that ‘putting the right product in the right place. The marketing mix is a crucial tool to help understand what the product or service can offer and how to plan for a successful product offering. The marketing mix is most commonly executed through the 4 Ps of marketing: Price, Product, Promotion, and Place.

These have been extensively added to and expanded through additionally P's and even a 4C concept. But the 4Ps serve as a great place to start planning for the product or even to evaluate an existing product offering.



[Save](#)

© Entrepreneurial Insights

## THE FOUR P'S

### **Product**

The product is either a tangible good or an intangible service that seems to meet a specific customer need or demand. All products follow a logical product life cycle and marketers need to understand and plan for the various stages and their unique challenges. It is key to understand those problems that the product is attempting to solve. The benefits offered by the product and all its features need to be understood and the unique selling proposition of the product needs to be studied. In addition, the potential buyers of the product need to be identified and understood.

### **Price**

Price covers the actual amount the end user is expected to pay for a product. How a product is priced will directly affect how it sells. This is linked to what the perceived value of the product is

to the customer rather than an objective costing of the product on offer. If a product is priced higher or lower than its perceived value, then it will not sell. This is why it is imperative to understand how a customer sees what you are selling. If there is a positive customer value, then a product may be successfully priced higher than its objective monetary value. Conversely, if a product has little value in the eyes of the consumer, then it may need to be underpriced to sell. Price may also be affected by distribution plans, value chain costs and markups, and how competitors price a rival product.

## **Promotion**

The marketing communication strategies and techniques all fall under the promotion heading. These may include advertising, sales promotions, special offers, and public relations. Whatever channel is used, it must be suitable for the product, the price, and the end user it is being marketed to. It is important to differentiate between marketing and promotion. Promotion is just the communication aspect of the entire marketing function.

## **Place**

Place or placement has to do with how the product will be provided to the customer. Distribution is a key element of placement. The placement strategy will help assess what channel is the most suited to a product. How a product is accessed by the end user also needs to complement the rest of the product strategy.

## **The Marketing Mix**

### **PURPOSE OF MARKETING MIX**

The 4Ps were formalized and developed over the years by experts to ensure the creation and execution of a successful marketing strategy. Through the use of this tool, the attempt is to satisfy both the customer and the seller. When properly understood and utilized, this mix has proven to be a key factor in a product's success. A mature, intelligent, and innovative marketing manager needs to be at the helm of the marketing mix. This pivotal role means that this manager is responsible for achieving desired results through the skillful manipulation of these variables.

At this point, the marketing manager needs to evaluate placement options to understand where the customer is most likely to make a purchase and what the costs are associated with using this channel. Multiple channels may help target a wider customer base and ensure ease of access. On the other hand, if the product serves a niche market then it may make good business sense to concentrate distribution to a specific area or channel. The perceived value of the product is closely tied to how it is made available.

## **Product**

The company put significant importance on ongoing research to understand the constantly evolving market and consumer dynamics. This knowledge has helped the company develop more innovative new products that fulfill consumer needs. Through this research, it became clear that younger consumers wished for a more specific product that addressed the skin needs of their age category. The need was for a product that offered a beautifying regime for daily use rather than a medicated product that targeted specific skin problems. The latter were abundantly being offered

by the competition. The product was subsequently redesigned to meet these specialized requirements.

From the company's perspective, some of the changes helped meet its commitment to the environment which included more efficient packaging to reduce waste, the use of more natural products, and the use of recyclable plastic.

## **Price**

An effective pricing strategy takes into account the product's perceived and actual values. The final price should be based on both these to make the product attractive to both buyer and seller. After its relaunch, Nivea Visage Young was priced a little higher than before to account for the new formula, better packaging, and extended range of products. Since the product is being bought by mothers for their daughters, it remained low enough to remain good value for money. Effective pricing means that sales from this product account for nearly 7 percent of all Nivea Visage sales.

## **Place**

As mentioned, Nivea aims to have a wide reach for its products to ensure that it is easily available wherever needed by the extensive target market. The primary channels used are retail stores. High Street stores such as Boots and Superdrug account for nearly 65 percent of all sales. Another portion comes from grocery chain stores such as ASDA or Tesco. This covers young people making their purchases (mostly high street), as well as their mothers buying for them (mostly grocery stores). These stores ensure a cost-effective distribution channel that has a wide reach. The company manages its own cost by selling to wholesalers rather than directly to smaller stores. It also does not sell online directly, but the product is sold through stockists.

## **Promotion**

Nivea has always tried to base its promotions on the actual lifestyle of its target market. The company does not find above-the-line promotions to be very effective as these are one-way communications through the TV for example. Instead, the promotion is more consumer-led through different below-the-line solutions. Sample sales are a key activity that allows consumers to try out the actual product. There is also an interactive online magazine FYI (fun, young, independent) to increase product visibility and association. The company has also maintained a strong social media presence on popular social media networks. This use of new media has ensured better brand awareness and association among the target audience.

## **Social Media in Marketing.**

Social media marketing is the process of creating tailored content for each social media platform to drive engagement and promote your business. Social media marketing (SMM) uses websites and social networks to market a company's products and services. Today's consumers rush to browse social media when they want to know more about an organization or product because that's where they'll find others talking about that business. If you don't have a social media presence, you'll miss a great opportunity to make an impression.



## Importance of Social in marketing

### 6. Improves brand awareness

It increases brand visibility and heightened user experience.

7. Cost-effective. It is touted as the most cost-effective way to market a product, particularly to small enterprises with shoe – a strong budget.
8. Customer maintenance. Companies with a global presence would spend a lot of money to reach each customer. Social media is the best way to have an effective reach to customers through social media tools.
9. Market intelligence.

Customer behavior can be easily captured using special analytic tools such as Google analytics. Customers' interests and opinions are monitored which informs marketers of customer demographics.

### 10. Enhanced website traffic

It is a crowd-puller via the website. Millennials are tech-savvy and source their data and trends from social media which increases the possibility of a higher conversion rate.

## Conclusion

Through its successful use of a balanced marketing mix, Nivea Visage Young has managed to create a clear position in the market. It addresses a need felt by a specific niche segment. Traditional distribution methods are balanced by a unique product and updated promotional strategies. This ensures that the brand message reaches the right people at the right time in the right way.

As we see from the Nivea example, it is vital for any company to focus equally on all elements of the marketing mix while planning for a product. Eventually, there may be a need to divert more resources towards one variable such as strong distribution channels over promotional activities. But this needs to come after a clear plan and strategy has been decided upon.