

Assignment - 2

2K19/EP/005

Aditya Singh

[1] Charles Schwab gives a scope of money related administrations and also offers proprietary financial products. Despite the industry trend towards high-risk return instruments, Charles remains a traditional brokerage firm, engaged in its core business of conducting stock trades for investors who make their own financial decisions. Charles Schwab has stayed true to its primary business - making stock trades for investors. In the example of Cheryl Pasquale, she uses company's information system to closely monitor her sales representatives to make sure of the needs of customers.

[2] Staying out of hype and excessive risks can help to develop a simple organisational structure design with low departmentalization, wide spans of control, centralized authority, & little formalization. This structure is fast, flexible, inexpensive to maintain and has clear lines of accountability. However, this one is not appropriate as organisations grow, and reliance on one person is risky.

[3] The utter advantage of intense focus on customers feedback can allow employees to put effort into building better relationships with customers in order to improve the customer's satisfaction, to gain more profit. It illustrates a flexible structure that corporation is having in order adapt to the needs of their customers.

On the other hand, building strong customer relationship takes time and money. Paying too much attention to the customers can constrain Charles Schwab from its competitive advantage which is to keep transactions low.

[4] This arrangement and the type of customer focus would not work well for firms that operate on a thin margin. For instance, firms that operate in the maturity phase of the industry life cycle will focus on keeping production costs as low as possible, focusing on an expensive arrangement like customer-focused is not feasibility.