

Environmental knowledge

[Environment](#), [Ecology](#)



1. INTRODUCTION * The aim of this report is to discover the elements that give impact on their operations according to the principal elements of a dynamic business environment. In this report present two companies that I choose which is The Body Shop and Harley Davidson. Nature of business The Body Shop is about beauty product. They will produce product by use a nature and against animal testing. Besides that, nature of business Harley Davidson is manufactures heavyweight cruiser and touring motorcycles.

The company operates through two segments: the Motorcycles segment and the Financial Services segment. In this report, I will discuss about the important of environment knowledge which is explicit and tacit and explain their SWOT analysis on both companies. SWOT is a planning tool used to identify Strengths, Weaknesses, Opportunities and Threats involved in a business. It is used as part of Strategic Planning Process.

Reason I choose The Body Shop and Harley Davidson company is because I'm user of this product, so when I do a research about this company, I can know more about the company and about their product.

2. COMPANY BACKGROUND

2. 1 THE BODY SHOP * The Body Shop International PLC known as The Body Shop, has 2, 400 stores in 61 countries. The company, which has its headquarters in Littlehampton, West Sussex, England, was founded in 1976 by Anita Roddick and is now part of the L'Oreal corporate group.

The Body Shop mission are, to dedicate our business to the pursuit of social and environmental change, to creatively balance the financial and human needs of our stakeholders: employees, franchisees, customers, suppliers, and shareholders, to courageously ensure that our business is ecologically

sustainable: meeting the needs of the present without compromising the future, to meaningfully contribute to local, national and international communities in which we trade, by adopting a code of conduct, which ensures care, honesty, fairness and respect, to passionately campaign for the protection of the environment, human and civil rights, and against animal testing within the cosmetics and toiletries industry and lastly to tirelessly work to narrow the gap between principle and practice, whilst making fun, passion and care part of our daily lives. Anita Roddick. Human Rights Activist. Founder of The Body Shop, state that the vision is " I just want The Body Shop to be the best, most breathlessly exciting company – and one that changes the way business is carried out. "

2. 2 HARLEY DAVIDSON * Harley-Davidson Inc often abbreviated H-D or Harley, is an American motorcycle manufacturer.

Founded in Milwaukee, Wisconsin, during the first decade of the 20th century, it was one of two major American motorcycle manufacturers to survive the Great Depression. Harley-Davidson also survived a period of poor quality control and competition from Japanese manufacturers. The company sells heavyweight (over 750 cc) motorcycles designed for cruising on highways. Harley-Davidson motorcycles (popularly known as " Harleys") have a distinctive design and exhaust note. They are especially noted for the tradition of heavy customization that gave rise to the chopper style of motorcycle.

Except for the modern VRSC model family, current Harley-Davidson motorcycles reflect the styles of classic Harley designs. Harley-Davidson's attempts to establish itself in the light motorcycle market have met with

limited success and have largely been abandoned since the 1978 sale of its Italian Aermacchi subsidiary. Harley-Davidson sustains a loyal brand community which keeps active through clubs, events, and a museum. Licensing of the Harley-Davidson brand and logo accounted for \$40 million (0.8%) of the company's net revenue in 2010.

Mission statement for Harley Davidson is “ To fulfill dream through the experience of motorcycling, by providing to motorcyclists and to the general public and expanding line of motorcycles and branded products and services in selected market segments”. For vision is Harley Davidson corporate conscience and it helps us to eliminate short term thinking, such as “ cashing in” on the intense demand for our motorcycles by giving quantity precedence over quality to save a few dollars per unit. It also encourages every employee in our organization to be acutely aware of his or her role in satisfying our stakeholders. . THE IMPORTANT OF ENVIRONMENT KNOWLEDGE 3. 1 THE BODY SHOP 3. 2. 1 Explicit knowledge – academic knowledge or “ know-what” that is described in formal language, print or electronic media, often based on established work processes, use people-to-documents approach * Work Process - The worldwide employees of The Body Shop are creating a global brain of explicit knowledge to include cultural differences. Their repository of global “best practices” is founded on sharing and documenting knowledge. They approach business issues from an array of perspectives.

No matter where in the world a problem occurs, there is “no one right answer” but many workable approaches. The Body Shop view knowledge objects as templates of core insights that can be used in any cultural

environment

- * Learn – The Body Shop gives the employees on the job training and makes a trial and error. Senior will guide the others employees. From this, The Body Shop will meet goals and objectives set by organization.
- * Share knowledge - The Body Shop employees will extract knowledge from person, code, store and reuse as needed for customers by e-mail, electronic discussions or forums .

2. 2 Tacit knowledge – practical, action-oriented knowledge or “ know-how” based on practice, acquired by personal experience, seldom expressed openly, often resembles intuition.

- * Evaluation - The Body Shop make an evaluation by encouraging overlapping teams to share interests and values. All employees submit a confidential evaluation of everyone with whom they have worked closely. Compensation is attached to the network of peer relationship and is directly tied to cooperation and sharing of knowledge. Employees are also evaluated on how well they immerse themselves in various projects, work with different groups to meet priorities and meet clients’ needs. When there are enough close personal team contacts, it is possible to draw a truly multifaceted picture of an individual’s performance.
- * Teach – Every employee at The Body Shop have their own mentor. Mentor will guide them how to do work done well. Besides that, this company will have a internships to their employee.
- * Type of thinking – Their employee must have a creative, flexible, uncharted thinking. This because they always make a new product and they need satisfy their customer. .

2 HARLEY DAVIDSON

3. 3. 1 Explicit knowledge – academic knowledge or “ know-what” that is described in formal language, print or electronic media, often based on established work processes, use people-to-documents approach

- * Share Knowledge - Harley Davidson created

elaborate ways to codify, store and reuse explicit knowledge. Its "people-to-documents" approach extracts information from the person who developed it and makes it independent of its developer. All client sensitive information is removed and selected information is reused.

Information is transformed into a proven, successful solution that can be used in the same or similar industry. * Relationships – Harley Davidson use a top-down approach. This makes their employee feel a good relationship between their top management. 3. 3. 2 Tacit knowledge – practical, action-oriented knowledge or "know-how" based on practice, acquired by personal experience, seldom expressed openly, often resembles intuition * Documentation - Harley Davidson used a common documentation method to facilitate lateral communication.

Technicians write up "war stories" to teach each other how to diagnose and fix machines. Service reps access over 5, 000 tips a month for a 5 percent saving on both parts and labor. Field service reps create and maintain the tacit knowledge base by contributing and renewing all the tips and information and maintaining the system. Each time reps contribute a tip, their name goes on the system. *Technology- Harley Davidson shares its explicit knowledge through Internet. This electronic system links to worldwide offices.

Harley Davidson network connects more than 85 percent of its professionals through data, voice and video interlinks. Customers' problems from anywhere in the worlds are posted on Harley Davidson electronic bulletin board. This request is followed up on with visual and data contacts that instantly self-organize around that specific problem. Centrally collected and

carefully indexed subjects, customer references and resource files are accessed directly through Internet or from CD-ROMS distributed to all offices. Sets of possible solutions are created and sent to customers.

4. SWOT ANALYSIS

4. 1 THE BODY SHOP

Body Shop International (Body Shop) is a multinational company which is mainly producing ecological skin and hair products. Their products are solely based on natural ingredients and manufactured according to an ethical code which is opposed to animal testing. The cosmetics franchise is considered to be one of the biggest around the globe with a well established reputation in 54 countries. L’Oreal, the dominant company in the beauty industry, acquired Body shop in 2006. Although Body Shop has become a subsidiary of L’Oreal S. A it still acts according to its own policy, values and ethical code.

The acquisition has solved Body Shop’s financial problems and has provided the means for expansion to a bigger market share.

4. 1. 1 Strength for The Body Shop are:

- * BrandLoyalty– Body Shop is greatly dependent on its brand reputation which is a critical factor in sales. Due to its unique products, it has come out to be seen as one of the most environmentally friendly retailers.
- * L’Oreal’s support – By being a subsidiary of L’Oreal, Body Shop appears to have an increase in sales. Furthermore, L’Oreal’s experience in advertisement and marketing can boost overall sales.
- Niche marketing – Body Shop targets a niche market. By stating that it is not testing its products on animals and by appearing to have an ecological profile, it has appealed to customers with ethical issues. Being the only shop in the shopping centre that sells ecological products, has given it advantage in the local market.
- * Charity support - Body Shop provides financial aid in charities

by giving small amount of money from particular products they sell. Body Shop's support in local charities and non-profit organizations enhances its image in the local society. . 1. 2 Weakness for The Body Shop are: * Slow service – Body Shop's location, inside a shopping centre where it is always crowded, in combination with the fact that there is inadequate personnel results in slow service for the customers. Customers may be discouraged and might prefer a retail outlet in a central location. * Political - Unstable political factors in the countries that supply the company with ingredients and the company doesn't have the monopoly anymore * Consumer - The loss of trust from a part of the consumers 4. 1. Opportunities for The Body Shop are: * Product development – Body Shop can take advantage of L'Oreal's experience in research methodology and efficiency in order to improve and develop their own existing products. L'Oreal's takeover can bring financial and expertise or consulting support * The male grooming products – The increase in the usage of male grooming products indicates that there is a demand on this particular niche market. Therefore the supply of a wider range of products for men can increase overall sales. 4. 1. 4 Threat for The Body Shop are: Brands comparison – L'Oreal can prove to be harmful for Body Shop's reputation. The public perception of Body Shop as ethical can be altered due to the fact that L'Oreal is considered to be unethical. * Competition - Body Shop can face competition in any country if a company that also produces natural based products e. g. LUSH, ELIANTO decides to open an outlet inside the shopping centre. * Legal - New legislation about animal testing can raise the competition in the so far monopolist market and difficulties in distribution because of the new legislation about chemical

ingredients. . 2 HARLEY DAVIDSON * The Harley-Davidson Corporation has been dominating the motorcycle industry for many decades. Today, it continues to have a strong presence in the American market. Harley-Davidson, Inc. is the parent company for the group of companies doing business as Harley-Davidson Motor Company, Buell Motorcycle Company and Harley-Davidson Financial Services. Harley-Davidson Motor Company manufactures five families of motorcycles: Sportster ®, Dyna Glide, Softail ®, Touring and VRSC.

Buell Motorcycles Company produces sport motorcycles, including four big-twin XB models, and the single-cylinder Buell Blast ®. Buell also offers a line of motorcycles parts, accessories, apparel and general merchandise. 4. 2. 1 Strength for Harley Davidson are: * This year, Harley-Davidson celebrated its 100-year anniversary. Over the past century, the company has created a strong brand image and a loyal customer base. It maintains a close relationship with its customers through a variety of program, such as Hog Owners Group (H. O. G. , product offerings and events such as Daytona, motor shows, and rallies. In addition, Harley-Davidson has a strong financial position, excellent supply chain management, and a superior product line, which are enabled through creative engineering technology and design. Due to the decline in the market share to Japanese companies in the seventies, Harley-Davidson phased out its weak models, becoming more selective in targeting a specific customer segment and limiting sales and promotion. This strategy created a niche market for their bikes in which the company enjoys a strong position today. . 2. 2 Weakness for Harley Davidson are: * The Harley-Davidson company has several weaknesses. First, the company is in

its maturity stage and, unless it manages to protect its position, it will be faced with the decline period again. Secondly, the company's products are expensive, which limits them to a specific niche in the market and makes it difficult to grow their customer base. They also have a wait-list for certain products, which can create a substitute effect. Lastly, they are lacking a strong presence in Europe.

4. 2. 3 Opportunities for Harley Davidson are: There are various opportunities in the market for Harley-Davidson today, especially with the introduction of the new V-Rod motorcycle. The company has the innovator status advantage in the Performance Cruiser class market segment. They are expanding their partnerships with various European manufacturers, which should increase the presence of Harley-Davidson products in Europe. The corporation is well positioned to attract younger customers, and the company has plenty of room for growth due to the high demands for its products.

4. . 4 Threat for Harley Davidson are: * Harley-Davidson is facing rigorous competition from Japanese manufacturers, specifically Honda and Yamaha. Yamaha targets the low-end market by providing a variety of products at affordable costs. Yamaha's core competencies are small engines, electronic control, and fiberglass reinforced plastic. Yamaha is currently focusing on increasing its global competitive position. Honda is one of Harley-Davidson's strongest competitors and is responsible for one-third of all motorcycle sales in the U. S.

It has a strong financial base and reliable products. It continues to improve the performance of its motorcycles by focusing on fuel efficiency and lower emissions. In addition, Honda is beginning to increase its performance in the market by introducing information technology tools through its dealerships.

These tools help increase dealer performance and create a more positive experience for the customer. * Financial position – Harley Davidson currently holds a strong position in the market. However, it is in tight competition with Honda and Yamaha. . CONCLUSION * As a conclusion, SWOT analysis provides strategic insight on recommendations and opportunities for The Body Shop and Harley Davidson to map out a strategic plan. As an actionable management tool, the SWOT helps the both companies in on the right course of action to leverage the business's unique characteristics. By turning threats into strengths, and matching strengths with opportunities, they can make the most of their power in the current marketplace and maximize their chances of success.

Other than that, both companies and environmental knowledge will benefit from the huge potential of knowledge management if they pursue the suggestions of how to integrate knowledge management aspects in their environmental information systems. A further winner, and may be the most important. Environment knowledge can help to further improve the effectiveness of their companies. Besides that, The Body Shop and Harley Davidson that recognize and use their employees' steadily growing wealth of tacit and explicit knowledge to solve problems and achieve goals have a major competitive advantage.

However, both companies need to improve how they acquire and share tacit and explicit knowledge. 6. REFERENCE * <http://www.thebodyshop.com> * <http://www.harley-davidson.com> * http://www.e-referate.ro/referate/Harley_Davidson_-_SWOT_analysis2007-10-01.html * <http://swottowsanalysis.blogspot.com/2011/08/tows-analysis-swot-analysis-https://assignbuster.com/environmental-knowledge/>

body-shop. html * Text book: The Business Environment by Adrian Palmer & Bob Harley, Seventh Edition * Sir Mohamad Basari Bin Sapar 7. APPENDIX

The Body Shop In 1985, in its first year as a public company, The Body Shop sponsor posters for Greenpeace. A year later, it creates an Environmental Projects Department of its own, while the first major window campaign for The Body Shop is " Save the Whale" with Greenpeace, in 1986. Harley Davidson * MARCH 17, 2003 Former racing director, Dick O'Brien, passed away. Dick O'Brien was arguably the most successful racing directors in Harley-Davidson history. Born in 1921, he worked as a mechanic and racer for the Puckett Motors Harley-Davidson in Florida.

Hired by Harley-Davidson in 1957, he led the company's racing team to 16 Grand National Championships and 183 individual championships over the course of his career. In response to stiff competition from Japanese and British dirt and road bikes, O'Brien supervised the development of the XR-750. This innovative motorcycle went on to become the most successful dirt track motorcycle in AMA history. He also worked with Willie G. to develop the Sportster Streamliner, which set record-breaking speeds at the Bonneville Salt Flats in Utah. He retired in 1983 after 26 years with the company.