Research paper on comparison of two companies

Business, Company



For the successful completion of this research paper we have selected the companies Dell and Hewlett Packard. Both of these companies specialize in providing computer technology based services to their customers. To have a better understanding of these two companies, we have analyzed the mission statement, vision statement, strategies of social responsibility and their strategic planning methods. For attaining the required information we have used the investor information available in the website of these companies.

Comparison of the Mission Statements

The mission statement of Dell is " to be the most successful computer company in the world at delivering the best customer experience in markets we serve" (Dell, 2012), however the mission statement of Hewlett Packard was quite vague compared to Dell and was not clearly mentioned in the website. Since mission statement is the first statement in any company, we suppose "To provide products, services and solutions of the highest quality and deliver more value to our customers that earns their respect and loyalty" is the mission statement of Hewlett Packard (HP, 2012). The mission statement of Dell focuses on dictating the future success projection of the company and on providing superior customer experience to the customers. However, they mention little about what they intend to provide to their customers. In contrast, the mission statement of Hewlett Packard emphasizes on what they intend to offer to their customers; in this case, they are emphasizing on the products, solutions and services that they are offering to their clients. However, the mission statement of HP clearly states some crucial elements required for a successful company; such as,

value, loyalty and respect towards the customers; which are necessary for every company's success.

Vision Statements

The vision statement of any company focuses on the wider picture and what the company intends to achieve in the future (Welford, 1995). However, in the majority of the cases the companies tend to mix up the two statements. The vision statement of Dell is "It's the way we do business. It's the way we interact with the community. It's the way we interpret the world around us-our customers' needs, the future of technology, and the global business climate (Dell, 2012). Whatever changes the future may bring our vision -- Dell Vision -- will be our guiding force." From the vision statement, we can see that Dell is aiming at the bigger picture in the long run, which will also translate into a successful future for the company.

The vision statement of Hewlett Packard is "" To view change in the market as an opportunity to grow; to use our profits and our ability to develop and produce innovative products, services and solutions that satisfy emerging customer needs" (HP, 2012). As already seen in the mission statement of Hewlett Packard, their vision statement is also quite clear and mentions their targets for the market operations, profits and their need to develop and offer innovative products for their long-term survival in the market. Once again, they are focusing on the values, products, solutions, and services that they are offering to their customers. Therefore, it is quite difficult to draw a clear line between the mission and vision of HP as opposed to Dell. Dell on the other hand focuses on the wider community and how they intend to nurture their relationship with them. Therefore, the overall mission and vision

statements of Dell seems to be doing a better job steering the company towards success.

Although, the words used by both the companies are quite different, the mission and vision statement primarily focus on the future goals and aims of the organization and the customers whose demand they wish to satisfy. The vision statements of Dell mention about the global climate and how then want to adjust with that whereas Hewlett Packard intends to evolve with the changes in customer demand.

For the purpose of individual analysis, the company "Dell" has been chosen. Social Responsibility specifically refers to Corporate Social Responsibility or CSR activities undertaken by organizations to fulfill their responsibilities towards the environment. As part of the CSR activities, the company deploys a self-regulating form of mechanism which allows the organization to constantly monitor its activities and maintain the highest ethical standards (Davis, 1992).

In the case of Dell, a high level of ethical standards is maintained throughout the organization ensuring that they not only make profits from their initiatives but also serve a greater purpose of societal well-being. In the website Dell specifically mentions it achievements, environmental goals, awards, recognition, materiality analysis and their GRI index. Apart from this, Dell also issues a yearly Corporate Social Responsibility report. In this report they outline the CSR goals for the given year; which is subdivided into human rights and social responsibility, workplace and team members, giving and the community and corporate governance and accountability (Barron, 2006). Apart from this, they also mention an outline of their sustainable

operations and how they have operated in line with the environmental standards. The list even shows the electricity consumed including green electricity (Dell CSR Report, 2012).

As part of their CSR activities, Dell has focused primarily on five factors; designing, building, shipping, operating, and recycling. In the designing phase, Dell has started designing products in an environmentally friendly way and using recyclable materials. For the building phase, they have tried to reduce their carbon foot print by using recyclable energy during their operations. Dell also focuses on shipping their goods to the end users at an environmentally friendly way. In the operating phase, they encourage their customers to reduce the environmental impacts and lastly recycling the components to return the equipment's usefulness.

Dell does seem to be quite successful in its environmental initiatives. They have already expanded their free recycling program to 78 countries, which is a very positive sign. In addition, they have also reduced the size of their laptop and desktop boxes by an average of 11. 8 percent, which is around 2 years earlier than their targeted date. They have also designed their laptops and desktops to ensure that they consume an average of 25 percent less energy than their counterparts. This means significant savings for the consumers as well as a greater number of energy storage (Dell, 2012). Some of the major improvements the company made; were by the use of LED illumination for their product; this eradicated the use of harmful mercury, present in the previous models. Dell has also managed to recycle and reuse 96 percent of their waste created in 2011, for further use. They also intend to recycle and reuse 99 percent of their wastes by the year 2012.

This is quite an achievement for Dell. Despite being a huge manufacturer, selling products across the globe, they have focused strongly on strategies that benefit the environment.

SWOT analysis of Dell

Strengths:

Dell uses a more customer oriented approach. This means that rate of customer satisfaction is also quite high for Dell.

The manufacturing, procurement and the shipping process is strongly integrated and close control is exercised by the company.

Weaknesses:

The company is strongly dependent on the supplier's capability to deliver on time. This is because Dell merely assembles the products rather than manufacture them on their own.

Customizing the products according to the requirements of the customer requires Dell to provide greater support service to them

Opportunities:

Dell provides an extremely diversified range of products to their customers.

Therefore, the customers have a lot of options to choose from.

Dell has the opportunity to provide their customized desktops and laptops to emerging economies in Asia.

Threats:

Tremendous level of competition across the globe. Computers are increasingly becoming a commodity which means companies have to

constantly innovate to come up with newer products.

Dell must now focus on providing their products at identical prices than those of their competitors, but their quality also needs to be the same.

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