

Theory and empirical evidence

[Science](#)



**ASSIGN
BUSTER**

1. Management Summary

Brick and Tile Ltd (BATL) manufacture cement based tiles in a wide range of design and colors. BATL presently has three directors on board. There are three major divisions; productions, sales & marketing and accounts that are managed by three managers who report to the directors. BATL's business portfolio comprises of institutional clientele that constitute 90% of the business and private customers who contribute to 10% of their business. Presently BATL employs 60 people including three directors on board and three manager cadre staff.

BATL sales staffs circulate the product catalogue to potential clients. The institutional client selects products of their choice and place a telephonic order with the company. They currently operate on a " produce to order" mode. BATL is a small business unit with 60 employees on its payroll and the vision of BATL is to evolve as a large enterprise.

Organizational Structure

The organization structure comprises of three directors who head the company. The three major divisions of BATL are Production, sales & marketing and accounts. These three divisions are managed by manger cadre staff who report to the directors. The management team comprises of well experienced professionals who have good industry knowledge and expertise.

Management Team

The management team of BATL has three directors who are experienced professionals in the construction industry. The management team is focused

on the strategic need for change to gain better control over business, by implementing technology changes. The vision of the team is to gain market leadership in the tiles business and to improve profitability of the company. Their mission is to produce quality tiles and ensure highest standards of service delivery that exceeds customer expectations.

1. Current systems and practices - An understanding

Manufacturing systems BATL currently operates on a “made to order” manufacturing mode where the manufacturing process begins after an order is confirmed by the client. This leads to delays in supply.

Marketing and sales systems The Company circulates catalogue containing photographic images of tiles to prospective buyers and the client chooses from the catalogue and places an order by phone. The order is then processed and manufacturing of tiles begin only after the client confirms an order.

Accounting systems BATL accounts are handled through large ledgers and manual entry of numbers. Payrolls are processed manually.

Information and data systems are manually processed where records are maintained for each purchase as paper files.

1. SWOT analysis on current systems and practices

Strengths As a company that is already operational in the market BATL has its own customer base and there are probabilities of repeat orders from satisfied customers. The company has experienced staff to handle manufacturing of tiles and customer queries.

Weakness The “produce to order” system adopted by BATL may result in manufacturing delays caused by bad weather leading to delay in supply. This may lead to cancellation of order and/or might have a negative influence on future business from the same client. As all data and record maintenance are done manually an analysis of their business, to identify areas of improvement and new business opportunities, is time consuming. To retrieve information is difficult and there is always a possibility of loss of valuable data due to insufficient back up systems.

Opportunities As an experienced manufacturing unit with an existing customer base the company has the opportunity to cater to the repeat requirements of the current customers. As more and more housing and infrastructural projects are being developed there is an increasing market demand for quality tiles.

Threats Competitors who offer readymade tiles, larger variety and easy access to order placement are a threat to BATL. Customers may shift loyalty owing to delays in supply and longer processing time for orders. As the tiles are not mass produced the production costs are likely to go up affecting profitability. Limited access to product information and non availability of alternate products may result in the loss of new orders.

Therefore it is important for the company to constantly upgrade itself to meet the market standards of quality, range of products and service.

1. Need for improvements and implementation of strategic changes

There is a growing demand in the market for creative range of products and innovative systems of access and service. Companies that do not implement

these developments tend to de grow and phase out. An organization that is not constantly reinventing itself, to keep up with the global market trends, is on the way to self destruction. “ Strategic reorientations are central to the recovery process at many declining firms.” (Vincent & Irene, 1997) . An online article states that “ Situations that require a mode of change can be financial, technological, economic, environmental or human focused” (Larry A Bauman). The changes proposed for BATL are mainly technological changes.

1. Business recommendations

Based on the requirements and the need for change appropriate operational and strategic interventions are proposed. It is also recommended that BATL invests in building a brand image to foster brand recall and client trust.

- *Operational Interventions proposed*

Operational interventions are proposed in the following areas; Data systems, marketing, order processing and service delivery, support systems and training and development for BATL’s staff.

Data systems and analysis It is proposed that BATL updates all client information in the data management software that can generate reports on highest selling tiles by size, shape and color. The purchase pattern of individual and institutional clients and seasonality of product sales are identified through the available data. Based on the analysis and reports, it is possible for BATL to understand the stock holding requirements of products for every quarter and every month of the year.

Marketing A website for the company with complete product information, comparison of cost-benefits, online order placement systems and service delivery management is proposed.

Order processing In addition to the current system of direct and telephonic order processing, it is proposed to give clients access to an online order processing form where the client can choose the products from an online catalogue, compare the advantages and pricing and place an order through the system. The system then generates an order confirmation and quote. The products are delivered to the customer immediately upon finalizing the payment mode. A system generated process of escalation alerts the manager in case of delays or unresolved customer complaints.

Support services An online support system where customers can reach the support team through e-mails is recommended.

Manufacturing process Based on the business analysis report it is proposed that BATL produces tiles and stocks them as per requirements to avoid delays in product delivery.

Training and development An extensive training and development program for all employees of BATL is proposed covering the areas mentioned like; BATL vision of change, the expected level of productivity, technical training on the latest manufacturing process, systems training on operating the computers and the online systems proposed.

- *Building a brand image*

Building a brand image is critical in today's scenario . The brand resides in the minds of the customer influencing buying decision. Every interaction the

company has with the consumer is therefore important in to convey the brand image; the logo, the product catalogue, marketing communication. By incorporating the latest technology and improving service standards BATL will be successful in repositioning their brand as high-tech Company.

1. IT recommendations

Based on the business needs and operational analysis it is recommended that BATL adopts computerization of its records and processes. The sales process, order processing, information systems, customer profiles, accounting systems and product information are proposed to be automated to increase the level of control and for operational ease. An online system of order placement, purchase and product review is proposed in line with the current market trend and existing demands for remote access to suppliers.

The operational value behind companies who offer computerization of small business unit is “ to encourage more businesses to take advantage of the cost savings/productivity improvement opportunities available through office automation by simplifying the computerization process” quotes an online article of a company website who offers automation services to small business units.

- *Hardware recommendations*

The hardware recommended are; A central server, Laptop for the directors - 3 no's, Computers for the Managers - 3 no's, Computers for second level managers - 4 no's, Laser color printer - 1 no, Local Area Networking - LAN connectivity, Modems and routers for broadband connectivity.

- *Software recommendations*

Operating system suggested; Microsoft windows XP. Other software recommended are; MS Office windows, Tally ERP 9 (for bookkeeping, sales and purchase, multi-location stock management), IBM smart business/ SAP ERP (for HR management and payroll processing), Sybase SQL data management , network administration software, AVG security protection.

1. Analysis of business benefits in adopting the recommendations

- *Business benefits of adopting 6Cs model of marketing*

Customer

Understanding the needs of the customer and catering to their specific requirements is a key to success in consumer business. “ It’s about understanding the target consumer; their wants, needs and motivations..... Such knowledge is critical in marketing since having a strong understanding of buyer behavior will help shed light on what is important to the customer” (Michael Brito). The business analysis process proposed and data systems recommended helps in understanding the customers and catering to their specific requirements. Computerization of data makes data access and analysis possible and effective.

Consistency

Consistency in service delivery and marketing communications adds value to the brand image and customers perception of the company. It improves trust and brand value. Computerization of various processes proposed will help BATL to achieve the service delivery standards that will ensure customer satisfaction in each transaction. An automated alert and escalation process in dealing with delays and support process will ensure good quality service.

Creativity

Creative product range, innovations in material and creative marketing communications is important to help BATL stand out from its competitors and gain market leadership. “

Only creativity can transform boring reminders into interesting, entertaining marketing communications”. (Michael Brito)

Culture

The workplace culture, building a positive workenvironment, where every employee understands the vision of the company and works in alignment with the strategic policies can be a key service differentiator to productivity and customer experience. An environment where people know their responsibilities and discharge their duties efficiently is built by employee participation. The service culture of an organization largely influences the buying experience of the client and it is profitable to invest in building exceptionally good service standards exceeding customer expectations every time.

Communication

A well planned and creative communication process both to the employees of BATL and the customers is proposed. The employee needs to understand the vision and strategic growth plans of the company to work in alignment to it. The customer’s needs to understand that BATL has the customer’s needs in mind and the products match their requirement. “ Good marketing communication creates value with target customers, speaks in their

language and tells your story. It's about building long term, trustworthy, and profitable relationships with your customers". (Michael Brito)

Change The growth rate of construction industry and competitive challenges necessitates companies to stay open to changes and evolve with the customers changing needs. More and more products offering improved technology are being developed constantly. The computerization process proposed will help BATL to change its model of operation in sales, order processing, manufacturing and service delivery management, helping them stay in leadership position in the market.

1. Benefits of computerization

The benefits of computerization for BATL are listed below:

- Easy to store retrieve and process information
- Critical for business analysis, to help understand the business, the customer profile and to identify new business opportunities
- Less storage space
- Availability of data back up
- Less Time consuming
- Convenient for customers to reach BATL
- Cost benefits in terms of operational efficiency and improved business and a host of other intangible benefits like customer satisfaction, employee satisfaction.

Conclusion

The business analysis process and the technology adoption recommendations given when implemented will help BATL gain better

control on business, improve service experience of clients, improve working experience of employees and help BATL evolve in market as a fast growing organization that adapts to positive changes.

References

Michael Brito. The 6cs of Marketing unleashed. September 25, 2006.

Associated content inc. < [http://www. associatedcontent.com/article/66266/the_6_cs_of_marketing_unleashed. html? c at= 35](http://www.associatedcontent.com/article/66266/the_6_cs_of_marketing_unleashed.html?c at= 35) > 5 July 2009

Vincent L. Barker III and Irene M. Duhaime. Strategic Change in the Turnaround Process: Theory and Empirical Evidence . Strategic Management Journal, Vol. 18, No. 1 (Jan., 1997), pp. 13-38. John Wiley & Sons . 5 July 2009

Larry A. Bauman. Implementing Strategic Change for Your Business. < [http://www. phoenixbusinessconsulting. com/Implementing%20Strategic. pdf](http://www.phoenixbusinessconsulting.com/Implementing%20Strategic.pdf)> 6 July 2009