

Managing office furniture in indonesia

Business



The management team of this company will be responsible for successful implementation of the business plan. Management and Labor will reward the company with improved productivity, higher profits and more job satisfaction (Covello and Hazelgren, 85). The management has a philosophy based on responsibility, integrity and mutual respect. People who work in the company want to work in the company because we have an environment that encourages creativity and achievement.

The company is led by a group of seasoned professionals possessing a combined 8years in the furniture industry. In particular, the four founders have served for various companies for the past 5years. Value chain activities
The value chain is the sequence of activities which are required by the company to make the furniture. It will involve aspects related to logistics, production, marketing, sales and support. The managers in these value chain activities have to coordinate to ensure successful production and delivery of quality products to the clients. Their cooperation will ensure minimal failures in service delivery and support of the purchased furniture.

Schmitz (4) indicates that the central concern of the value chain will be to unpack the relation between the different sources of raw materials and the local production. The managers in this will identify the opportunities and constraints that result from entering in to such relationships. Office furniture will obtain furniture from Indonesian forest and the Metallic parts from Singapore. The logistics department will procure furniture from the stores selling regular furniture or directly from saw millers in Indonesian forest and will arrange for shipment to the company headquarters in Java. Logistics will also procure metallic parts and ensure that they are shipped to the

company's workshop (Klose, Speranza & Wassenhove, 11). This department will ensure that once a customer buys furniture from the company, they are delivered to required destination.

The most important factor in developing our furniture products is the market needs. We emphasize on understanding the needs of our target market segment as one of our competitive advantages. It is critical to our effort to come up with the right new products. The production department will ensure that there are showrooms for already designed furniture. According to Klose, Speranza & Wassenhove (12) this will enable our customers to choose from furniture developed and produced by company and therefore the customer can personalize the product by specifying the desired size, type and even color.

The inventories of raw materials will be held at a company store. The logistics and production department will work together to ensure that small replenishment orders are sent at a regular basis to the suppliers of raw materials to keep inventory levels low, because furniture is fashion sensitive with the risk of raw materials becoming obsolete Klose, Speranza & Wassenhove (12). With a workforce of fifty permanent employees and twenty casuals the company will be capable of producing about 500 units per day. This implies that with this workforce the company will produce 150, 000 units in 30 working days. The alternative is that the management can choose between reducing the number of employees and therefore result to an increase in the number of days required to produce these units of furniture. The company will initially be positioned as the premium provider of furniture products in the target markets described below.

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Our strategy is to build a strong loyalty within the key markets schools and outskirts of Jarkta- before moving on to the other phases of the market. The marketing department will use catalogs to advertise the product to agencies that make contract with schools in (Jakrta). The products will be promoted as the most technologically advanced in the market, and the use of networked enterprise environment will be vital to achieving this image. The marketing strategy is the core of the main strategy by putting emphasizes service and support, build a relationship business and focus on small business and high-end companies as key target markets for furniture products. The company has a strategic powerful marketing plan that when implemented will consequently lead to the expansion of its market share.

Different approaches have been established to market with specific interest for each product since one strategy can efficiently be applied to all products or services. Our sales strategy is oriented towards the idea of arming the sales force with information so they completely understand both the product and the market and therefore can hit the ground running. We will also be using our line of products within the company, so that all staff have a firsthand knowledge of the furniture product as this is necessary for the sake of customer customization needs as well as support and upgrade services. This is a very important strategy as it considerably contributes to our increase in market share. Our sales team will be divided by geographic territory and will be on a base salary plus commission structure. They will each go through two week-long training sessions on basic document digitization and solutions integration as well as a week-long training session

on furniture needs in the key target markets to increase the return on investment.

Office furniture will be using a very sophisticated customer relation platform to ensure that all customer contacts are kept within our internal database. That includes all kind of communication (Personal, Telephone, Fax, E-Mail, Chat) which means that all incoming information will be seamlessly and automatically filed (saved) to the specific customer account. All Activities are sequentially embedded in our enterprise-system which makes it easy for our support team, sales, marketing and logistics to satisfy any need of our customers and business leads. We will also ensure a sufficient number of technical personnel for our online, telephone and emergency support during normal office hours. As part of support, Office Furniture will use its online presence as a tool to support and market our products.

Direct sales will involve the project implementations that require site visit for contract signing with the client and the project implementation scheduled within a given period of time. Organization structure -relation to headquarters- (reporting relationships, communication systems)Communication systemsThe interaction between the various levels of management within the company is expected to be horizontal. This will eventually reduce the complexity of for example adopting other communication systems. This communication model is the best in optimizing production through local management and its models. Furnell, Katsikas & Lopez (356) says that using this model will ensure that there is effective interaction between all the key departments and department heads.

Reporting relationships Each manager will be reporting to the Chief executive officer. Each manager typically will have a number of specialists reporting to or through him or her in a vertical mode (Schultz & Heidi (21). Each manager in turn will be reporting to the senior managers and then to the chief executive officer. All the company communications will be driven from bottom up with limited cross functional exchange (Schultz & Heidi, 21).

Office Furniture Organizational structure The organizational chart below shows how the employees are organized and whom they are responsible in the chain of command.

1. The team includes one hundred employees, under a managing director and five managers. 2. Our main management divisions are Logistics, production, sales, marketing and support. 3. The management has staff who report them are further divided into functional divisions which include supervisor services, technical services, and subordinates besides as shown in the organizational structure.

Management team Gaps At present we believe we have a good team for covering the main points of the business plan. Uniting logistics and production and quality assurance was a very important way of cementing our deep-seated re-positioning, re-engineering and delivery of quality researched products and services to our valued customers. Manpower requirements (ethnocentric / polycentric / geocentric staffing) (compensation). The Personnel Plan reflects the need to bolster our capabilities to match our positioning. Our total headcount should increase to 8 the second year and 15 by the third year.

This is a very lean projected personnel growth since the company believes in in-house re-engineering and business intelligent operations hence reducing overhead costs to focus on customer satisfaction. The company will use geocentric staffing because it has obtained some of the managers from Qatar. According to Scullion & Collings (2006) geocentric staffing will enable the company to be flexible and respond to emerging developments in the furniture business environment. Also considering that the company has its operations outside its home country that is Qatar. In this context the managers will have global mindsets (Scullion & Collings, 2006). Because the managers and supervisor have been sourced from Qatar their salaries are higher than other employees.

Salaries at the company are generally in line with market pay for Java town, even though our benefits are higher than ordinary market level, so we ultimately pay a bit more for our people than what might be considered standard in our market. Java, however, is on average a lower wage location than most of the more developed industry areas. As the company grows, a steady increase in our personnel is expected in order to match the increases in sales. Table representing employee's salaries and wages

Monthly Salary	Chief Executive officer	Logistics manager	Production Manager	Technical officers	Subordinate _ staff	Day casuals (Wage/ per day)
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