

Business plan on social capitalism new driver of business

[Business](#), [Marketing](#)



Introduction

Management has been termed by scholars to be kind of management whose paradigms are in continual transition. The environment in which business management operates is faced by new challenges as the world adopts new methods of doing business. Economic and technological changes have significantly altered the business patterns and practice around the globe today Globalization has introduced new technology and procedures such as outsourcing and social marketing to meet new business requirements. Additionally, human based marketing practices have been replaced by the internet to reach as many people as possible. Hence, adapting to this new environment is vital and necessary for the survival and the continued profitability of a company. This paper evaluates the aspect of socialism and its place in the capitalist market.

In a recent article by Shaughnessy of the Forbes Magazine titled The Emergence of Social Capitalism: Adaptation or Threat, several aspects indicate that technology and marketing is now robustly linked with the 'social' idea (Shaughnessy, 2012). In this sense, capitalist business is now not only driven by market regulation and other factors such as infrastructure. Capitalism has been the environment that has driven business in the past century or so . This business environment reported remarkable success reaching a historic high against social business environments associated with the East. At the time it was impossible to imagine that the system had inherent flaws that would later cause the biggest economic crises of our time.

However, some scholars had foreseen such a crisis long before the recession.

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Economic experts had expressed the need for flatter hierarchies after coming to a conclusion that the capitalist global businesses had exposed many inefficiencies and flows. According to Shaughnessy (2012), lack of innovation and new ideas had brought several companies, such as Gamble and Proctor, to a near halt. Software developers had the idea of creating large software and other huge software projects for free, commonly referred to as open source software. In 1997, a French philosopher had proposed a new kind of work ethic referred to as Crowdsourcing. In this new kind of development, large numbers of volunteers would propose designs or products that other corporate teams could not develop. By the turn of the century, social networks and open source software had made great strides. Several products had been developed by the middle of the decade to compete favorably with products from established corporate entities. Open source operating systems, such as Linux, had taken the business environment by a storm. Customization to fit specific business needs was allowed and any additional features were accepted. Business practice was slowly shifting from board room meeting to open and freely sharing of new ideas. The term that can be used to describe this new business practice is socialization.

In general, social capitalism is basically directed by collaboration and sharing. Socialization of business seeks to replace the command and control rule of business with units of self-organized individuals willingly involved in producing new design and products for the public. Eventually, any end products from this cooperation will be widely accepted since it is a product of many ideas from several people.

Several companies have acknowledged this shift in business practice and marketing. For instance, Dell and HP are looking to communicate with their customers on a one to one basis. Social media sites such as Facebook and Twitter have taken the lead in marketing and reaching as many customers as possible. Apple covered this by producing its products based on the views of consumers from the entire globe. A new player in the market is the Android system that is looking to make use of open source software in developing a global business entity .

Conclusion

Social aspects of marketing are now crucial factors in business and no business can take the risk of neglecting this new reality. Social capitalism is the new mover of business.

Reference

Shaughnessy, H. (2012, 1 23). The Emergence of Social Capitalism: Adaptation or Threat?

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