

# Components of frito- lay's plans that need review



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Business planning usually involves undertaking several activities. Usually carrying out a detailed assessment of each of these components is very critical if organizations such as Frito Lay are to succeed. One component executive summary which details the scope the size and scope of the organization's market potentials as well as the way the strategic positioning of the of the organizational management is uniquely poised to implement the organizational plans (Levisky, 2009).

In this regard, the first key component of Frito Lay's plans that must be reviewed is the micromarketing strategy (HarvardBusiness School, 2001, p. 113). Indeed upon his appointment, the CEO of PepsiCo Michael shifted from the micromarketing strategy thereby returning control of decision-making pertaining to marketing mix as well as promotions to the headquarters. This implies that the CEO shifted to nationwide method of tightly controlling the execution of strategy.

This component of Frito Lay's plans is justified because in doing so, the new CEO maintained the important position of the accounts manager while segmenting the sale force. In doing this, the CEO was attempting to position the organizational managerial team in a unique way in order to be in a better position to execute the organizational plans (Levisky, 2009). The other component of a good business plan is the organizational analysis.

This component describes a strategic perspective of the organization in terms of the way in which the company is organized, the products and services the company deals in as well as the unique features of the company in meeting the needs of its clients (Levisky, 2009). In this regard, the other key component of Frito Lay's plans that must be reviewed is the

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organization's functions. In Frito-Lay, Jordan divided domestic operations into 32 geographic regions in 1987 under the name of Frito-Lay Market areas (FLMAs) (Harvard Business School, 2001, p. 113).

This component of Frito Lay's plans is justified because in doing this, the CEO was attempting to organize itself in a strategic way for better performance given the restructuring was done at the time the field sales organization was equally consolidating itself by redesigning its processes for improved productivity. An organization's business should also indicate the industry analysis. This section analyses the environment in which the organization is operating in terms of the target market segments, industry trends and competitors among others (Levisky, 2009).

Therefore to fully understand the target markets and the overall industry trends, Frito-Lay had to rely on the sales force's use of information technology in improving the quality of decision it arrived at. This calls for the review of the organizational and information infrastructure. This was indeed carried out through implementing the hand held computers (HHC) and a commitment from the sales department to reduce their cost of sales by 1% before the HHC was launched.

This component of Frito Lay's plans is justified because the company was engaging in using technology in changing its business operations (Harvard Business School, 2001, p. 113). The other component of an organization's business plan is the customer analysis section (Levisky, 2009). This section identifies the customer segments as well as the specific needs of the identified target segments. It is only then that the company can demonstrate

the way the products and services it deals in are suited in meeting the needs of the customers.

In this regard, Frito-Lay needs to review its information infrastructure more so if it is to support its micromarketing strategy. With improved information, the company will be in a position to integrate and synchronize the operational procedures hence the implementation of the Pipeline Projects (Harvard Business School, 2001, p. 116). This component of Frito Lay's plans is justified because in this way the company will ensure that various functional units operate at the same speed and levels of effectiveness.

The other component in an organizations business plan is the competition analysis segment which illustrates the competitive landscape the business operates in. This calls for the need to identify the direct and the indirect competitors of the company in terms of their strengths and weaknesses (Levisky, 2009). From this knowledge the company can then redesign itself to counter the competition it is facing. Thus, other key component of Frito Lay's plans that must be reviewed is the organization design (Harvard Business School, 2001, p. 117). Read about components of staffing

This component of Frito Lay's plans is justified because few conflicts are likely to be reported since all the executives will be operating under a common profit objective thus a very strong source of competitive advantage. The last two key components of Frito Lay's plans that must be reviewed is the information infrastructure and the organizational structure (Harvard Business School, 2001, p. 120). The rationale here is that getting flexible and detailed information for decision-making is usually a complicated task.

This implies that one of the biggest assets an organization like Frito-Lay can have is information; which can equally be a big liability. This component of Frito Lay's plans is justified because the organization can access online information which unfortunately indicates only the overview of the total business as opposed to a comprehensive perspective of the local business. Changing the information system alone will not suffice. There is equal need to change the overall organization hence the need for a change in the overall organization structure (Harvard Business School, 2001, p. 121).

In this regard, Frito-Lay appointed Roger Enrico of PepsiCola as the CEO replacing Jordan. The new CEO embarked on a series of reforms which saw him hire a group of consultants to recommend the most viable managerial information system suitable for the organization. Based on the recommendation of the consultants, the company was reorganized with the effects being an elimination of 1, 800 positions out of 1000 was from the headquarters and 800 from outside. This component of Frito Lay's plans is justified because the company was in a better position to successfully implement their organizational strategies.