ENTERPRISE MANAGEMENT [TRANSITIONAL ARRANGEMENT] – GRADUATION LEVEL

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Question No. 2

(a) **(i)** Planning **01**

(ii) Planning **01**

(iii) Organizing **01**

(iv) Leading **01**

(v) Controlling **01**

(vi) Leading **01**

(b) **(i)** **J. Stacey Adams' Equity theory:** **02**

Equity Theory proposes that employees compare what they get from a job (outcomes) in relation to what they put into it (inputs), and then they compare their inputs - outcomes ratio with the inputs - outcomes ratios of relevant others. If an employee perceives his/ her ratio to be equitable in comparison to those of relevant others, there's no problem. However, if the ratio is inequitable, he/ she view himself/ herself as under rewarded or over rewarded.

(ii) **McClelland's Three-Needs Theory:** **02**

McClelland's Three-Needs Theory, proposes that there are three acquired (not innate) needs that are major motives in work. These three needs include the need for achievement (nAch), which is the drive to succeed and excel in relation to a set of standards; the need for power (nPow), which is the need to make others behave in a way that they would not have behaved otherwise; and the need for affiliation (nAff), which is the desire for friendly and close interpersonal relationships. Of these three needs, the need for achievement has been researched the most.

(c) **(i)** It will sustain existing motivational level. According to two factor theory, salary is a hygiene factor, which does not motivate but if it is not provided then it will cause demotivation. Since salary rise is given, hence it will sustain the existing level of motivation. **01**

(ii) It will increase motivation level. Bonus and rewards are motivators; hence offer for the trip will increase the motivation level. **01**

(iii) It will demotivate. Reduction in hygiene factor will cause demotivation **01**

Question No. 3

(a) **Eliminate Waste:** **07**

Lean producer set their sights on perfection; no bad parts, no inventory, only value-added activities, and no waste. Any activity that does not add value in the eyes of the customer is a waste. The customer defines product value. If the customer does not want to pay for it, it is a waste. Taiichi Ohno, noted for his work on the Toyota Production System, identified seven categories of waste. These categories have become popular in lean organizations and cover many of the ways organizations waste or lose money. Ohno's seven wastes are:

Overproduction:

Producing more than the customer orders or producing early (before it is demanded) is waste. Inventory of any kind is usually a waste.

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Queues:

Idle time, storage, and waiting are wastes (they add no value).

Transportation:

Moving material between plants or between work centres and handling more than once is waste.

Inventory:

Unnecessary raw material, work-in-process (WIP), finished goods, and excess operating supplies add no value and are wastes.

Motion:

Movement of equipment or people that adds no value is waste.

Over processing:

Work performed on the product that adds no value is waste.

Defective product:

Returns, warranty claims, rework, and scrap are a waste.

(b) Tips for Managing Downsizing: **06**

- Treat everyone with respect.
- Communicate openly and honestly:
  - Inform those being let go as soon as possible.
  - Tell surviving employees the new goals and expectations.
- Explain impact of layoffs.
- Follow any laws regulating severances pay or benefits.
- Provide support/ counseling for surviving (remaining) employees.
- Reassign roles according to individuals' talents and backgrounds.
- Focus on boosting morale:
  - Offer individualized reassurance.
  - Continue to communicate especially one-on-one.
  - Remain involved and available.
- Have a plan for the empty office spaces/ cubicles so it isn't so depressing for surviving employees.

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Question No. 4

(a) To design a winning marketing strategy, the company must first decide whom it will serve. It does this by dividing the market into segments of customers (market segmentation) and selecting which segments it will cultivate (target marketing). Next, the company must decide how it will serve targeted customers (how it will differentiate and position itself in the marketplace). Marketing management can adopt one of five competing market orientations. **10**

- The production concept holds that management's task is to improve production efficiency and bring down prices. The product concept holds that consumers favour products that offer the most in quality, performance, and innovative features; thus, little promotional effort is required.
- The selling concept holds that consumers will not buy enough of an organization's products unless it undertakes a large-scale selling and promotion effort.
- The marketing concept holds that achieving organizational goals depends on determining the needs and wants of target markets and delivering the desired satisfactions more effectively and efficiently than competitors do.
- The societal marketing concept holds that generating customer satisfaction and long-run societal well-being through sustainable marketing strategies keyed to both achieving the company's goals and fulfilling its responsibilities.

(b) Major brand strategy decisions involve brand positioning, brand name selection, brand sponsorship, and brand development. **09**

Branding poses challenging decisions to the marketer. The following figure shows that the major brand strategy decisions involve brand positioning, brand name selection, brand sponsorship, and brand development.

Brand positioning		Brand name selection		Brand sponsorship		Brand development
Attributes Benefits Beliefs and values	→	Selection protection	→	Manufacturer's brand Private brand Licensing Co-branding	→	Line extensions Brand extensions Multi-brands New brands

Brand Positioning:

Markets need to position their brands clearly in target customers' minds. Positioning refers to the act of designing the company's offering and image in such a way that it occupies a distinctive place in the minds of the target customers.

Brand Name Selection:

A good name can add greatly to a product's success. However, finding the best brand name is a difficult task. It begins with a careful review of the product and its benefits, the target market, and proposed marketing strategies. After that, naming a brand becomes part science, part art, and a measure of instinct.

Brand Sponsorship:

A manufacturer has four sponsorship options. The product may be launched as a national brand (or manufacturer's brand). Or the manufacturer may sell to resellers who give the product a private brand (also called store brand or distributor brand). Although most manufacturers create their own brands names, others market licensed brands. Finally, two companies can join forces and co-brand a product.

Brand Development:

A company has four choices when it comes to developing brands. It can introduce line extension, brand extension, multi-brands, or new brands.

THE END