

## **3502FETQR-Introduction to Business**

Please follow the Assignment brief instructions to do this assignment.

### **Success story with vision and mission-**

Jennifer Compton is a successful entrepreneur. She owns a large children's retail chain worth £80 million called Under 10s.

She first demonstrated her entrepreneurial skills when running a baby-sitting agency whilst studying for her A levels at sixth for college. Then after working in a small store making and selling children's clothes in Preston, she started buying very cheap housing in the Preston area. She used the properties to provide student accommodation in Preston. After four years she sold her property business for £2.7 million.

Jenny then saw that the small store that she worked in earlier was for sale. She bought it and began building her chain – Under 10s. The store had been run down and needed a number of key changes to become profitable. She sourced a new and exciting product range from a number of countries in South-East Asia to complement her tailor-made clothes. She also employed young and flexible staff who she motivated with her warm and enthusiastic brand of leadership.

Jenny worked very hard opening six new shops per year for five years in the North-West and then 12 shops a year for 10 years nationally. She is now a respected businessperson, the CEO of Under 10s and has a reputation for retail development. She has recently started a consultancy business to help young people develop their stores.

To motivate them she conducted a conference and started the conference by narrating some real life examples with the attendees who also were the prospective entrepreneurs, leaders, and managers.

She started sharing about the well known Bill Gates.

Bill Gates is the founder of the Microsoft Corporation, a worldwide leader in software, services and solutions that helps people and businesses realize their full potential, Bill Gates formed Microsoft in 1975, dropping out of Harvard University,

which might have been considered a risk at the time, to devote his energies to software development.

His original vision was reported as 'A computer on every desk and in every home', running Microsoft software. Bill was a visionary person and worked hard to achieve this vision. In 1980, Gates made a deal with IBM to provide the MS-DOS operating system on the new IBM PC for a fee of \$50,000. However, he stipulated that he and Microsoft held onto the copyright of the software. When the PC market took off, Microsoft also sold MS-DOS to other PC manufacturers. Not long after, Microsoft operating systems dominated the world.

In 1985, Gates released the Microsoft Windows operating system, similar to one introduced by Apple® in 1984, taking what some might consider another risk. Originally, some thought that the Apple version was better than Microsoft Windows. However, the Apple operating system only ran on Apple machines, whereas Microsoft Windows could run on a variety of PC-compatible machines. Microsoft won the operating system market and was soon installed on nearly 90 per cent of the world's personal computers. Gates went on to introduce further products such as Windows Office programs like Word® and Excel.

In 1986, Microsoft was floated on the stock exchange. The company was valued at \$520 million of which Gates owned 45 per cent. As the company grew rapidly, the share price soared. At one point, Gates' share was worth over \$100 billion. In 2000, the Bill & Melinda Gates Foundation was set up to support philanthropic initiatives, with Gates devoting a lot of his time to working with, and funding, a wide range of charities.

### **The story about Bill Gates**

*Bill Gates was known for his passion for computer programming from a young age and while at college. During his early years at Microsoft, he reportedly oversaw the business detail, yet personally reviewed every line of code and often rewrote parts of it if he felt it was needed. Gates was appointed as president of Microsoft in 1981. He met regularly with senior and program managers, with a management style that some may have found intimidating. He was passionate about the quality and performance of Microsoft products and was reported as rigorous with his employees in ensuring robust business strategies, to protect the company from long-term risk. It was reported that Gates expected his employees to share his drive*

*and dedication, and that he challenged their ideas as part of the creative process, testing out whether they were convincing. His competitive spirit drove Microsoft's success and the company's strength was used to reinforce its dominance in the marketplace.*

*Bill Gates stepped down as chairman of Microsoft in 2014 and was the richest person in the world in 2015, with a net worth of \$78.3 billion. His philanthropic work, reported as totaling grants from the Foundation of \$21.8 billion in 2015, and to involve diplomacy and persuasion, has won many awards. He is known as one of the most influential people of the 20th century.*

Jennifer, after narrating this story found, the presents looked interested in knowing more about her thoughts and future vision and mission. Looking at the enthusiasm, she continued and narrated two more live examples with them, that they appreciated a lot.

She shared-

Warren Buffett is one of the wealthiest individuals in the world. In 1964 he was appointed CEO of Berkshire Hathaway, now a US multinational holding company. The company owns businesses in a wide range of industrial sectors, such as confectionery, retail, railways, home furnishings, vacuum cleaners, jewellery and newspaper publishing, as well as several regional electric and gas utilities. In 2014, the business was worth around \$350 billion with the share price reaching \$200,000 for the first time in August 2014.

Warren Buffett is known internationally as an investment guru as a result of his success in buying businesses and watching them grow. His leadership style is widely reported as laissez-faire. He allows subsidiary heads lots of freedom. In his 2009 letter to shareholders he said, 'We tend to let our many subsidiaries operate on their own, without our supervising and monitoring them to any degree, and that most managers 'use the independence we grant them magnificently, rewarding our confidence by maintaining an owner-oriented attitude that is seldom found in huge organizations.'

Some people argue that a laissez-faire style of leadership results in low levels of productivity. However, in the case of Berkshire Hathaway it was widely reported to have worked well. This might be because Warren Buffett was effective in hiring

talented and well-motivated people to run the various businesses. He also gave them complete autonomy and enough resources to enable them to meet company objectives. However, if these employees needed guidance or support, Warren was available for consultation. It was also widely reported that laissez-faire leadership worked well because each business had its own culture, and each person appointed by Warren understood the way that each particular business worked.

Source: adapted from [www.berkshirehathaway.com](http://www.berkshirehathaway.com)

Jennifer, didn't stop and continued motivating the listeners by sharing one more live example that she herself was inspired about.

Right formula is a London-based sports marketing agency. It deals with clients who want their businesses and products hospitality and events, and business-to-business opportunities associated with Formula One racing. They organize promotions, for customers who have included Hilton, BlackBerry and Sky Sports. For example, Right Formula might organize an exclusive, intimate VIP hospitality event as part of a grandstand programme for a client. A package might include catering, grandstand seating, VIP transportation, arranging driver appearances, access to show-cars and simulators, driving experiences and the organization of merchandise and gifts.

The business was set up in 2009 by Robin Fenwick. Since then, Right Formula has grown quickly and in 2013 turnover was €5.7 million with 20 staff employed. In 2014 the business featured in the Sunday Times Virgin Fast Track 100 companies as the sixth fastest-growing company in the UK. Before setting up Right Formula, Fenwick was employed by Sky Sports, marketing agency Octagon, McLaren and then Hilton Hotels, where he was in charge of sports marketing. A few years later Hilton was bought out and Fenwick decided to set up his own business, with Hilton immediately prepared to become his first client.

The business went from strength to strength. In an interview in 2013 Fenwick reported a really busy year where they had to increase the number of staff quite quickly but still maintain quality. Fenwick suggested it was a challenge that a lot of small businesses go through when they grow quite quickly. They need to manage the growth effectively, especially in an industry like Formula One where reputation is everything. He couldn't take on too much and then let down the clients already

on their books. Despite the glamorous image of Formula 1, Fenwick acknowledged that long working hours were required to be successful in business.

*Source: adapted from [www.rightformula.com](http://www.rightformula.com)*

She wanted to go ahead but looking at the golden opportunity she took a break and asked opinion from the listeners about one of her plans. She said, she is planning for online recruitment process, which could be rigorous, and takes several months to complete. This is in line of her vision of mass recruitment, training and staffing for globalization.

She planned three key stages, beginning with an online application.

1. Candidates have to complete an application form online. These are then reviewed and successful candidates are invited to complete a short test, which is also online.
2. If candidates do well on the test, they are then invited to participate in a video interview, normally held via Skype. These consist of a set of questions that all applicants are asked and often are competency-based questions. So, candidates might be asked to describe a time when they dealt with a difficult customer, for example. These interviews last around an hour and are conducted by a Manager.
3. Once the interviews get over, candidates will then be moved to the 'offline' stage of the process. Candidates will be invited to group interviews at local stores where they will be assessed by at least two people. Activities such as role plays are used to assess suitability.

Many companies have their own training programme for graduates. The training and development provided is revered across the industry and is often tailored to the company's needs. Training for Jennifer's venture will start with an introduction to the whole of the business, so that recruits understand the overall objective of the business before delving into the detail of their specific business area. Recruits are paired up with more experienced staff members so that they have all the support they need. By offering numerous training opportunities and encouraging their recruits to learn from colleagues. They encourage promotions in less than two years.

From the conference attendees, she got 60% applications showing interest to join hands with her and be a part of her successful venture.

