Implementing Marketing Plans

IMPLEMENTATION SKILLS

To be successful, implementation skills must be developed within an organization. From an implementation perspective, an organization must translate strategy into a series of assigned activities in such a way that everyone can see their job as a set of value-added actions. These actions should be seen as contributive to the organization because they ultimately result in greater value being delivered to the customer.

Allocating skills are used to assign resources (e.g., money, effort, personnel) to the programs, functions, and policies needed to put the strategy into action. For example, allocating funds for special-event marketing programs or setting a policy of when to voluntarily recall a defective product are issues that require managers to exhibit allocating skills.

Monitoring skills are used to evaluate the results of marketing activities.

Organizing skills are used to develop the structures and coordination mechanisms needed to put marketing plans to work. Understanding informal dynamics as well as formal organization structure is needed here.

Interacting skills are used to achieve goals by influencing the behavior of others. Motivation of people internal as well as external to the company—marketing research firms, advertising agencies, dealers, wholesalers, brokers, etc., is a necessary prerequisite to fulfilling marketing objectives.

ORGANIZING FOR IMPLEMENTATION

People. Success within organizations does not come from everyone doing their best but rather from everyone doing their best at an assigned role to achieve an objective everyone understands and works to achieve. Managers need to gain the cooperation of involved parties to successfully achieve the implementation of marketing strategies.

Systems. number of systems are relevant to the implementation of marketing strategies. Among these are accounting and budgeting systems, information systems, and measurement and reward systems. The system most directly involved in the implementation of marketing plans is the project planning system, which involves the scheduling of specific tasks for carrying out a project.

Corporate Culture. Organizational or corporate culture is the pattern of role-related beliefs, values, and expectations that are shared by the members of an organization. It is a social control system with norms as behavioral guides. Rules and norms for behavior within an organization are derived from these beliefs, values, and expectations. Norms of behavior can actually exert more control over employee behavior than a set of objectives or sanctions, which people can sometimes ignore, because norms are based on a commitment to shared values.

Corporate Culture

Hiring

- Tight screening processes during hiring and for the first few years
- Rigorous up-through-the-ranks policies—hiring young, promoting from within, and shaping an employee's mind-set from a young age

Training

- Developing internal "universities" and training centers
- Training programs that convey not only practical content but also teach ideological values, norms, history, and tradition
- On-the-job socialization with peers and immediate supervisors
- Using unique language and terminology (such as Disney's "cast members," and Motorola's "Motorolans")
- Corporate songs, cheers, affirmations, or pledges that reinforce psychological commitment and a sense of belonging to a special, elite group

Reward

- Incentive and advancement criteria explicitly linked to corporate ideology "buy-in" mechanisms (financial, time investment)
- Celebrations that reinforce successes, belonging, and specialness
- Awards, contests, and public recognition that reward those who display great effort consistent with the ideology; severe tangible and visible penalties or termination for breaching the ideology

Operations

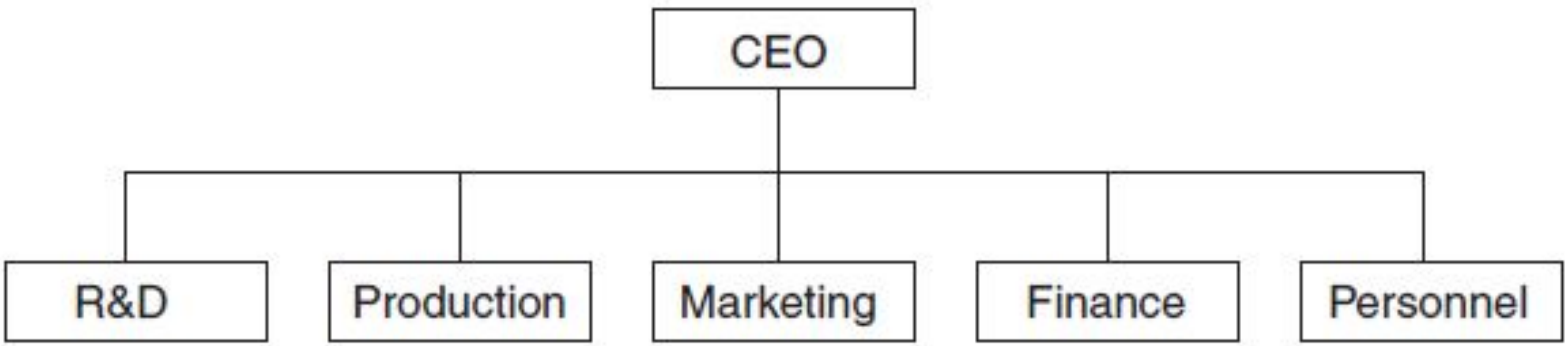
- Plant and office layout that reinforces norms and ideals

Structure. When preparing an organization for implementation of marketing strategies marketing managers must build an internal structure capable of carrying out the strategic plans. Changes in an organization's strategy initiate new administrative problems which, in turn, require changes in the new strategy if it is to be successfully implemented.

Types of Organizational Structures

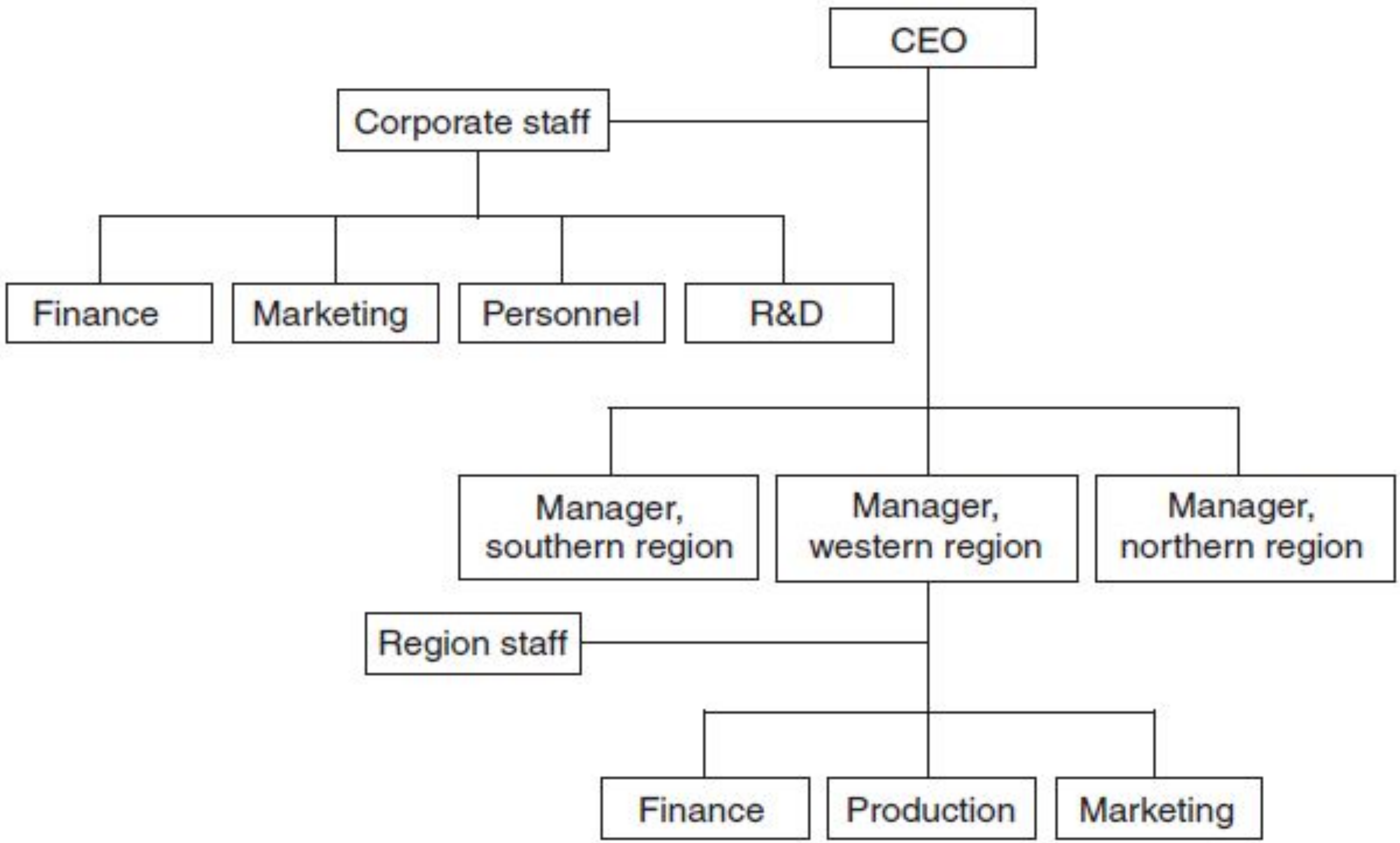
Functional. Organizational growth usually includes the development of several products and markets, resulting in structural change reflecting greater specialization in functional business areas. These structures tend to be effective when key tasks revolve around welldefined skills and areas of specialization. Performance of such functional area activities can enhance operational efficiency and build distinctive competence. Companies that are a single-business dominant- product type of enterprise or vertically integrated, usually adopt this type of structural design.

Functional Organization Structure



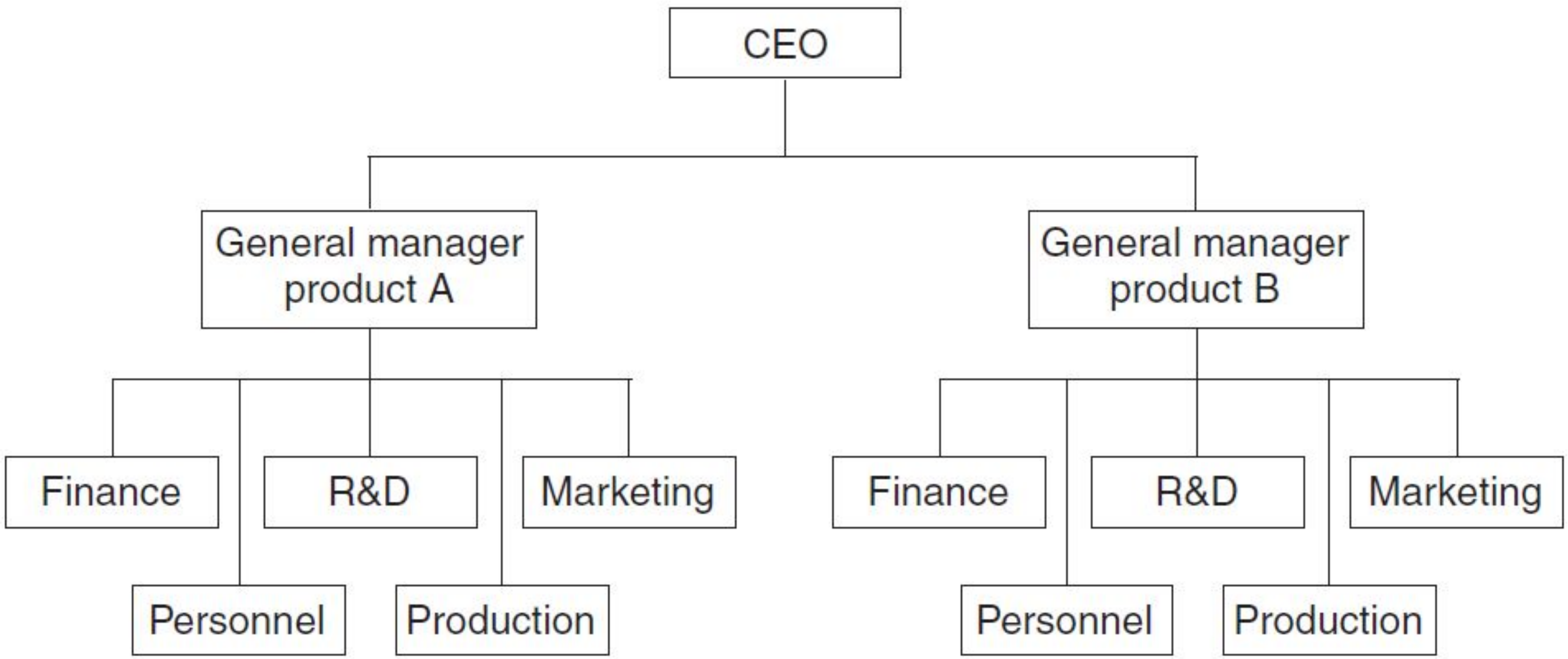
Geographic. Organizations who need to tailor strategies for the particular needs of different geographical areas might adopt this structural form. Some of its advantages include delegation of profit/loss responsibility to the lowest strategic level, improvement of functional coordination within the target geographic market, and opportunity to take advantage of the economics of local operations. Disadvantages include increased difficulty in maintaining consistency of practices within the company, necessity of maintaining large management staff, duplication of staff service, and problems with control of local operations from corporate headquarters

Geographic Organization Structure



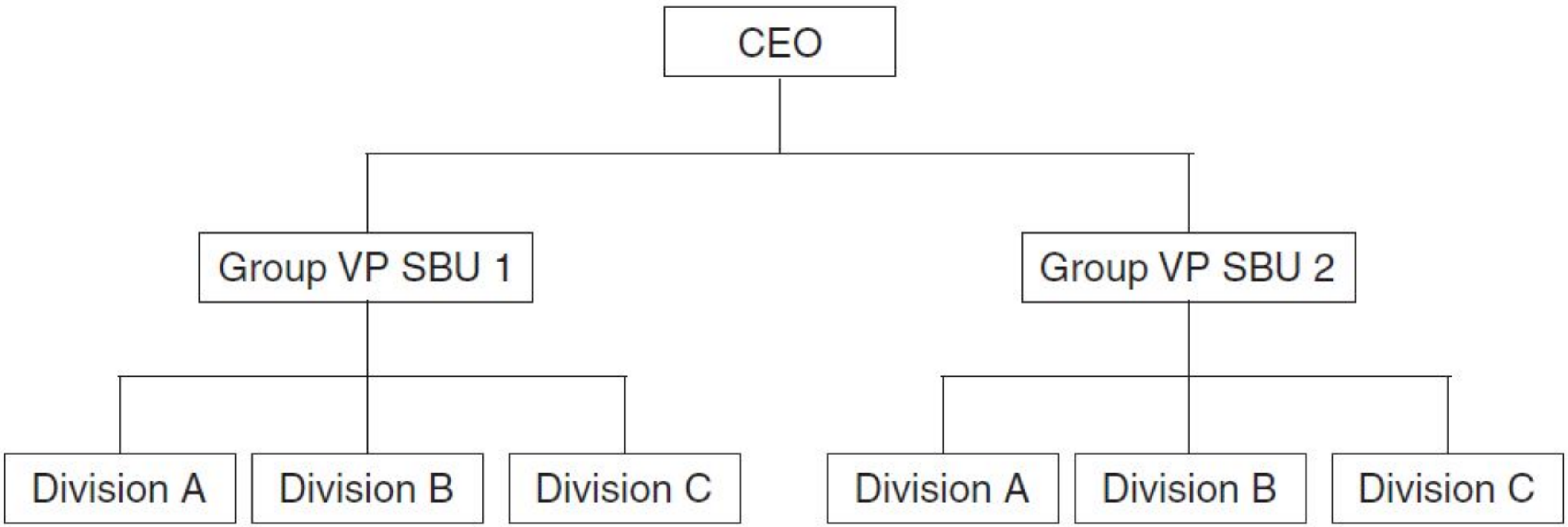
Divisional. Firms that develop or acquire new products in different industries and markets may evolve a divisional structural form. Divisional lines might be made on the basis of product lines (automotive, aircraft) markets (industrial, consumer), or channel of distribution (retail, catalog). Divisional mangers are given authority to formulate and implement strategy for their divisions but it may be difficult to coordinate strategies and turf battles may erupt

Divisional Organization Structure



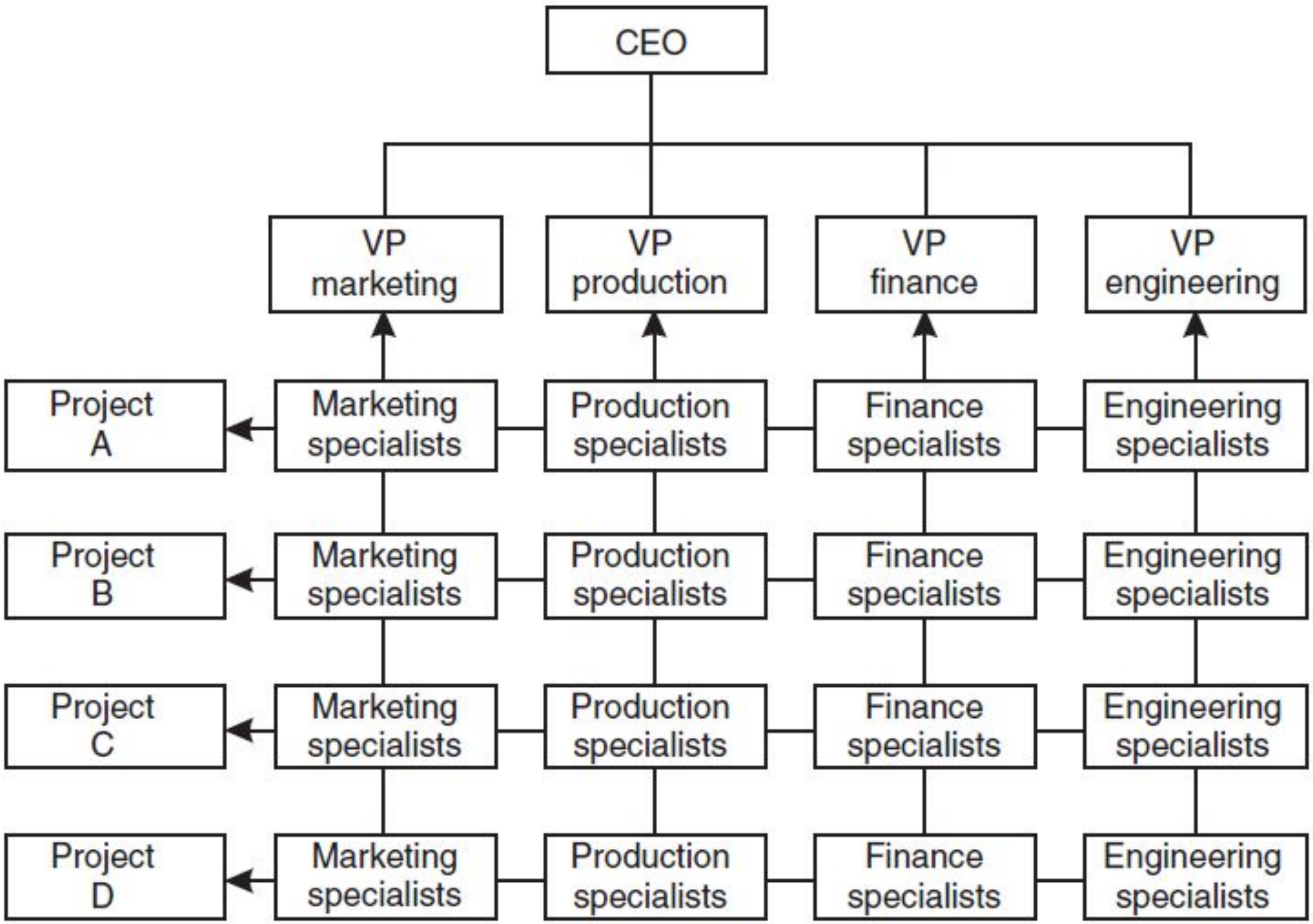
Strategic business units. CEOs with too many divisions to manage effectively may use a structure organized around strategic business units (SBUs). These forms are popular in large conglomerate firms. SBUs are divisions grouped together based on such common strategic elements as: an overlapping set of competitors, a closely related strategic mission, a common need to compete internationally, common key success factors, or technologically related growth opportunities.

SBU Organizational Structure



Matrix forms of organization. In matrix structures subordinates have dual assignments—to the business/product line/project managers and to their functional managers. This approach allows project managers to cut across functional departmental lines and promotes efficient implementation of strategies. Such an approach creates a new kind of organizational climate. In essence, this system resolves conflict because strategic and operating priorities are negotiated, and resources are allocated based on what is best overall.

Matrix Organization Structure



References:

- **Marketing Management Text and Cases David Loudon, Robert Stevens, Bruce Wrenn, Best Business Books**
- **Marketing Management Millenium Edition, Tenth Edition, by Philip Kotler, Prentice-Hall, Inc.**