

Managing Enterprise in the 21st Century

BMSW4006

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Assignment two: Report

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Company profile, organizational and structure management

COMPANY PROFILE

The Look's vision is to create a harmonious, productive and profitable salon environment, supplying the community with a beauty center.

Initially The Look will operate in London, United Kingdom with the aim of opening other salons in different cities across the United Kingdom also.

THE LOOK has professional partners of the beauty industry with more than 15 years experience and helps customers and the products make the vital step forward with their expertise.

The mission statement is to deliver a memorable experience, confidence, beauty and make the world more beautiful through our actions and belief that everyone is beautiful in their own way and deserve to always feel confident.

Services include luxurious hair styling, luxury beauty and makeup services and also body and facial massage. These services are offered to customers for an outstanding price – that has been one of the salon's aims.

To profile the issues of the salon owner, it is the responsibility of management to increase profitability, improve productivity, increase client retention and controlling the numbers.

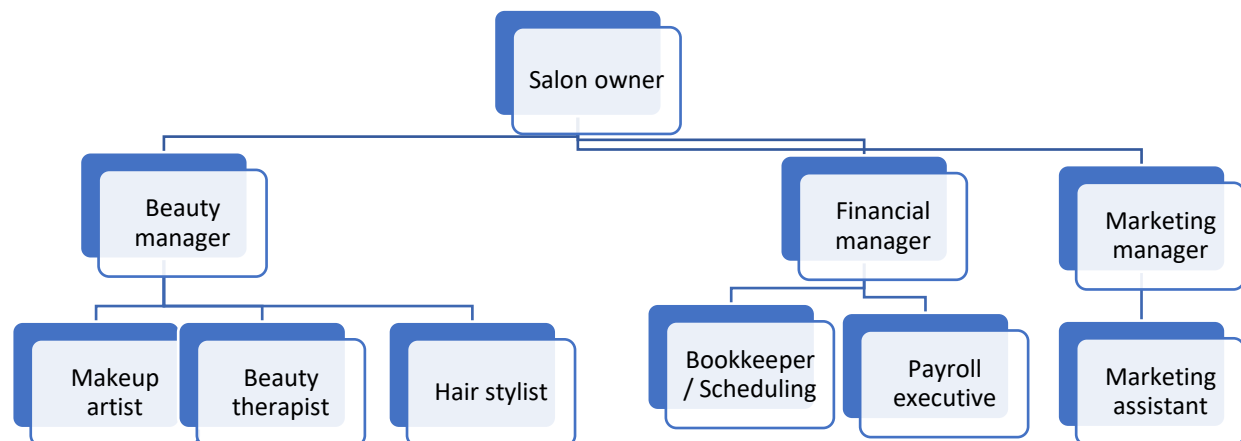
It is a goal for The Look to provide the community with an institution of beauty that targets all socio – economic standings and is a model for the industry nationally placing an emphasis on personal wellness.

Every customer will benefit of an on-site support and advice from an experienced team that have mastered their technical skills and have a desire to share that knowledge with new talent entering the industry while also helping with client retention, controlling numbers and productivity.

Currently The Look is formed by 5 staff members such as salon owner, a makeup artist, a beauty therapist, hair stylist and marketing advisor, slowly expanding as per the initial organizational structure diagram.

The Look recognizes that additional staff is required to properly support growth as growth opportunities improve employee retention within the industry and there is also the need for growth of the individual.

ORGANIZATIONAL AND MANAGEMENT STRUCTURE



Organizational structure is the framework of reporting relationships in an organization and is only one of many aspects of organizational design.

Organizational structure supports the growth of a company as the right structure provides direction and order to a company's efforts, allowing goals to come to fruition. People, their jobs and relationships find their proper place in the scheme of the whole so that they can coordinate their efforts to a maximum effect.

Setting up an organizational structure means setting up a power structure which includes decision-making authority and responsibility over work and those who perform it. (Chron, 2019)

When thinking of how to structure an organization, either creating a new one or attempting to change an existing one, knowledge of a number of design principles helps to shed light on the problem. These principles include fit, differentiation and integration, technology, size and staffing.

According to Research Gate, "fit" or alignment is an important consideration when designing and modifying organizational structure as structures that do not fit their environment will be less effective. For example if an organization is structured around self-directed teams, but the reward system is made for individual performance, employee will waste time and energy trying to reconcile the two.

Differentiation and integration, as Research Gate says, are fundamental. Differentiation refers to "division of labor" in which work is broken down into its component pieces and assigned to specialists in various parts of the organization.

Integration refers to the need to coordinate the divided activities into a whole outcome. (Research Gate 2020)

Technology can often shape its organizational structure as organizations that are build around batch technologies are typically structured differently than continuous process organizations. Further in today's information age, the rapidly expanding nature of computer and satellite-based information systems is creating new organizational forms.

Size, in and of itself and in conjunction with other variables, can also contribute to the shape of the organization's structure. For example, It is easier to manage and monitor 20 people than 2,500 and this must be taken into account when thinking about an organization's size.

Staffing is a huge part of an organization which makes the leaders to carefully think the fit of the individual talents of the people and the jobs.

It is very important to have all jobs covered by qualified professionals as an unqualified person might not know how to deal with all the responsibilities and the job requirements and the overwhelmment could influence negatively other members of staff or the organization itself.

Business of all shapes and sizes use organizational structures as it lays out who does what so the company can meet its objectives and provides the company with a visual representation of how it is shaped and how it can best move forward. Structure also helps with efficiency and provides clarity for everyone at every level which means each and every department can be more productive, as they are likely to be more focused on energy and time.

Traditionally, organizations have been structured with centralized leadership and chain of command. For example, the military is famous for its highly centralized structure with a long and specific hierarchy of superiors and subordinates, there are very clear responsibilities for each role.

There has been a rise in decentralized organizations as this allows companies to remain fast, agile and adaptable. For example ABC International has opened its 100th store and the store managers have been complaining that they would like to offer different goods to meet local tastes, but that the centralized purchasing is not helping them. The president intervened and gave them the authority to source 10 % of the goods stocked in their stores, with all other purchases continuing to be centralized. This decision improves the morale of store managers and improves sales and profit margins at those stores embracing the change.

According to Investopedia, there are different types of organizational structures such as functional structure, divisional or multidivisional structure, flatarchy structure and matrix structure.

Functional structure is the most common structure used and it is also referred to as a bureaucratic organizational structure and breaks up a company based on the specialization of its workforce. Dividing the company into departments consisting of marketing, sales and operations is the act of using a bureaucratic organizational structure. Most small to medium businesses implement this type of structure.

Divisional or multidivisional structure is common among large companies that have many business units. A company that uses this method structures its leadership team based on the products or projects they operate. As an example, Johnson & Johnson has thousands of products and lines of business, but each business unit operates as its own company with its own president.

Flatarchy structure is a newer structure and is used among many startups and give employees a lot of autonomy.

Matrix structure is the least used as it is the most confusing. This structure matrixes employees across different superiors, divisions, or departments. For example an employee may have duties in customer service but also in sales.

For a better understanding of each role of the beauty salon and why they are important, a detailed explanation will be provided below.

As the name suggests, according to Pocket Pence (2017) a salon owner is the proprietor of the salon and is accountable for salon operations, ensuring adherence to standards and delivery of services in a customer-friendly and profitable way.

Many salon owners continue offering services along with their salon responsibilities. They tend to do both the business and beauty aspects of the salon which include but are not limited to servicing customers, reviewing service standards, pricing services, following up and resolving customer complaints, generating new business, staffing, leading and directing salon workers and managing finances.

Managers are responsible for keeping the salon running properly, with specific responsibilities in staff hiring and management like payroll, business operations, PR and managing their teams.

Hair stylists can cut, colour and style hair. Often they are also responsible for building and maintaining client relationships.

According to Resources (2021) a beauty therapist responsibilities include giving various types of facial and body massages, including hot stone and reflexology, conduct skin analysis, manage appointments, warmly welcome customers upon their arrival, update customer records with contact details and treatments received, ensure all areas are clean and equipment is sterilised before use.

As Target Jobs mentioned, financial managers advise on appropriate business planning and help in decision making processes to ensure that businesses are financially successful and this might involve investments, pensions or savings. Other responsibilities of a financial manager could include preparing and interpreting reports, budgets, accounts, financial statements, undertaking strategic analysis and assisting with strategic planning, controlling cash flow and expenditure, carrying out business modelling and risk assessments, supervising staff or liaising with managerial staff and other colleagues.

A bookkeeper keeps an official track of company spending so when it comes to filing accounts there is an accurate trail of all the outgoings (Total Jobs, 2021).

Always according to Total Jobs, the responsibilities of a bookkeeper are mainly dealing with financial paperwork and filing such as processing sales invoices, receipts and payments, completing VAT returns, checking company bank statements , balancing accounts and preparing cash flow statements.

Payroll executive is the person who provides high quality service to managers and employees and also provides an effective and efficient output of work to meet the demands made of the role (smart recruiters 2019).

The payroll executive is responsible for managing and administration of the company payroll shared services and ensuring compliance and accuracy in monthly payroll activities, ensuring timely and

accurate delivery of payroll, verification and reconciliation of monthly payroll, overall payroll processing and administration, manage certain time bound processes and ensure validation of data to be accurate and truthful eg: tax returns etc (Smart recruiters 2019).

A marketing manager contributes to and develop integrated marketing campaigns to promote a product, service or idea and includes planning, advertising, public relations, event organisation, research and sponsorship (Prospects, 2020).

The marketing manager, according to Prospects 2020, will need to create awareness of and develop the brand, help with marketing plans, advertising, direct marketing and campaigns, produce creative content and run social media channels.

Marketing assistant, as the name says, will assist the marketing executive in making sure that all responsibilities are carried out in a timely and effective manner.

As per the diagram shown above, along with the initial 5 staff members that includes the salon owner, makeup artist, beauty therapist and hair stylist, The Look is aiming to also have a financial manager, marketing manager, bookkeeper and scheduler, payroll executive and marketing assistant.

CONCLUSION

This report shows a brief overview of its profile and organizational and management structure, how an organizational structure works and the types of structures available.

It also shows the key points that need to be considered and the type of staff it would have and would like to have in the future.

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