Business Management

Name

Institution

Date

**The Product for Vericon Electronics Company New Division**

The rapidly evolving business environment requires businesses to be innovative to stay ahead of the rivals. One of the ways of employing innovation as a competitive strategy is by diversifying their products. Over the years, Vericon electronics has been producing home electronic appliances, such as televisions, refrigerators and microwaves. The presence of many firms in the industry has led to reduced sales due to stiff competition. For this reason, the company has decided to establish a new division to develop software. Here, the firm intends to develop software to perform various duties that include data auditing, competitor analysis, responsive interfaces, and product roadmap. These products are vital for the survival of business enterprises in the modern day global economy. To ensure our products meet clients’ needs, the division has designed as a mission statement enshrined in innovation. The statement says, “To offer revolutionary software which would change how firms conduct their business activities.” According to the statement, the purpose of our product is to revolutionize the global business environment through innovations. Therefore, we intend to hire highly creative and experienced individuals to manage this department.

**How the Division Addresses Customer Needs**

The division understands there are many software developing companies across the world. Therefore, the company is committed to addressing customers’ needs to acquire a competitive advantage in the market. The new division is dedicated to creating a new and better way of conducting business in the modern day market place. The division intends to create a wide range of products and brands for customers to select from. This aspect would ensure timely delivery of our products to clients. At the same time, our product intends to include geographic footprint in their structures. This implies products would be designed on the basis of clients’ needs.

The division understands firms’ are operating in extremely competitive business environments. For this reason, their operating expenses are relatively higher than in the past years. Therefore, the division’s software will retail at reduced prices. The strategy gives us a competitive advantage as we can access more clients, particularly small business enterprises. Our competition technique is likely to work since the quality of our software programs would match that of our competitors. These conditions would accord us a competitive advantage as firms would prefer our products to our competitors to lower their operating costs. Based on the aspects mentioned above, it is evident that our division provides businesses with opportunities to increase their profit margins.

**The Vision and Business Model for the Division**

Vision statements provide business entities with the view of how they should look upon achieving their mission (Mckeown, 2014). For this reason, the division’s vision was based on the elements of its mission. Our mission states, “To be the number one choice for businesses seeking to outwit their rivals.” The statement above puts us in a position to continue innovating our products to meet our clients’ changing needs. We understand our customers need software programs to study and analyze market trends to know the ideal strategies to use to compete. Therefore, the key driver for this division would be innovation. Therefore, we intend to create an innovative culture within the division. Here, employees would be allowed to make mistakes while trying out new processes and procedures. Such workplace environment would align with the vision statement as allows employees to use creativity to enhance the quality of our products.

Currently, the software market is congested. There are many firms operating in the industry, such as SoftEQ, Prismetric, and July Systems. The reputation of these firms is very strong due to working for reputable organizations across the world. For example, some of the clients of July Systems include, Animal Planet, CNN, Microsoft, and Nascar (Nevogt, 2015). To compete in this market, the division needs to employ an effective business model. We understand that Vericon is a strong brand in the global market. The condition is likely to make our software attract attention in the market due to their association with the Vericon brand. Based on the aspects highlighted above, the division intends to use the direct sales business model. The reason the division settled for this model is because it would allow it to have access to a bigger market. The division plans to use the internet to market its products and also reach out to the market. Most of the sales, if not all would take place online due to the intangible nature of the products. The other reason the division chose this strategy was to avoid incurring the costs that come up with using resellers. It would interact with clients directly, thereby able to understand customers’ needs effectively. Under the model, businesses can tell clients purchasing behaviors and preferences based on the commodities they buy.

**How the Division’s Mission, Vision, and Values Align with Vericon’s Vision and Mission**

The mission and vision of Vericon focus on customers’ well-being by producing high quality and affordable consumer electronic products. For instance, the company produces high quality cheap smartphones which enable people to communicate effectively with others. Effective communication, in turn, allows people to receive and disseminate vital information such as investment opportunities and ideas to others. Similarly, the values, vision, and mission of the new division are inclined on clients’ welfare. The division’s goal is to produce the right nature and quality of software programs to the global community. The programs come at a compelling value to delight customers, thereby allowing customers to carry out their activities efficiently using them. At the same time, the mission and vision statements of the new division are based on an innovative culture. This aspect aligns with Vericon’s mission and vision which puts innovation as its major driver. Vericon pursues it goals and objectives through innovation, an approach that is similar to that of the division. Additionally, the vision and mission of the division is to become the best software developer in the market. This view resembles the vision and mission of the company. Vericon’s goal is to become a global leader in the consumer electronics market.

**How the vision, mission, and values Guide the Division's Strategic Direction**

All division’s operations would be guided by its vision, mission, and value statements. The three are to provide the management team with the direction regarding any of the decision the division takes (McKinley, 2002). Beginning with the mission, all software programs developed by the division must be of high quality. The view is facilitated by the fact that the mission requires the division to provide clients with best the services. At the same time, the mission allows the division to provide an environment that would facilitate the production of effective programs. Thanks to the mission, the division would understand that collaboration and creative thinking can be rewarded. At the same time, the division’s leaders would understand that innovative ideas might be discouraged in subtle and formal ways. With these views in place, the division intends to create a culture that complements formal rules and regulations of doing business. The culture would, in turn, create a commitment and understanding of the company’s vision and mission to guide employees. Workers would be in a position to tell how to carry out their business activities when confronted with issues the law does not say how they should be handled. The process would create an innovative workplace. On the other hand, the vision and values require the management team to be the best at their jobs. Their competency would enable them to make the right decisions to put the division on the course of achieving its goals. Here, the management team is required to ensure the division conducts its activities ethically, thereby enhancing the well-being of the community and Vericon.

**The Division’s Guiding Principles and Values for your Division in the Context of Culture, Social Responsibility, and Ethics**

The new division will operate under the leadership of Vericon Electronics Company. Therefore, all employees working in this division would adhere to the operation values and ethics similar to those of Vericon. Here, workers will be required to treat each other and clients with respect and dignity. At the same time, the corporate social responsibility (CSR) of the division will resemble that of the company. This is because the division is part of the Vericon entity, thus not allowed to have its CSR initiatives. However, the culture of the division will be different to that of the company. Vericon is made up of subcultures due to the different the company’s divisions perform. For this reason, the new division will be allowed to create a unique culture to insulate its members from external pressures. The insulation would provide them with an ideal environment to carry out their duties.

References

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