

The Business and Market Orientation



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The Business Orientation



“Administration is the process of planning, organizing, directing and controlling the efforts of the members of the organization, and of applying the remaining resources to reach established goals”. (Stoner and Wankel)

The Business Orientation

- **A process is a systematic way of doing things**
- **Planning:** goals and actions are projected beforehand
- **Organization:** material and human resources are coordinated
- **Direction:** directing and influencing
- **Control:** making sure that the direction followed is the correct one
- **all of the organization's resources are used**
- **goals are determined**

The Business Orientation

- The organization produces goods and services that offer benefits required by the market and that it can produce in a competitive manner.
- Generally, it is organized by functions or processes to do this.
- It has an integrated or holistic focus that takes into consideration the chain, from a product's production to its final use or consumption.
- Regardless of whether it is profit-oriented or not, it must know its costs and profitability.

Enterprise functions

Production

Personnel

**Accounting
and Finance**

Marketing

Strategic processes

Strategy formulation

**Communications with
clients**

**Product
development**

Client service

Handling orders

Illustration: Functions

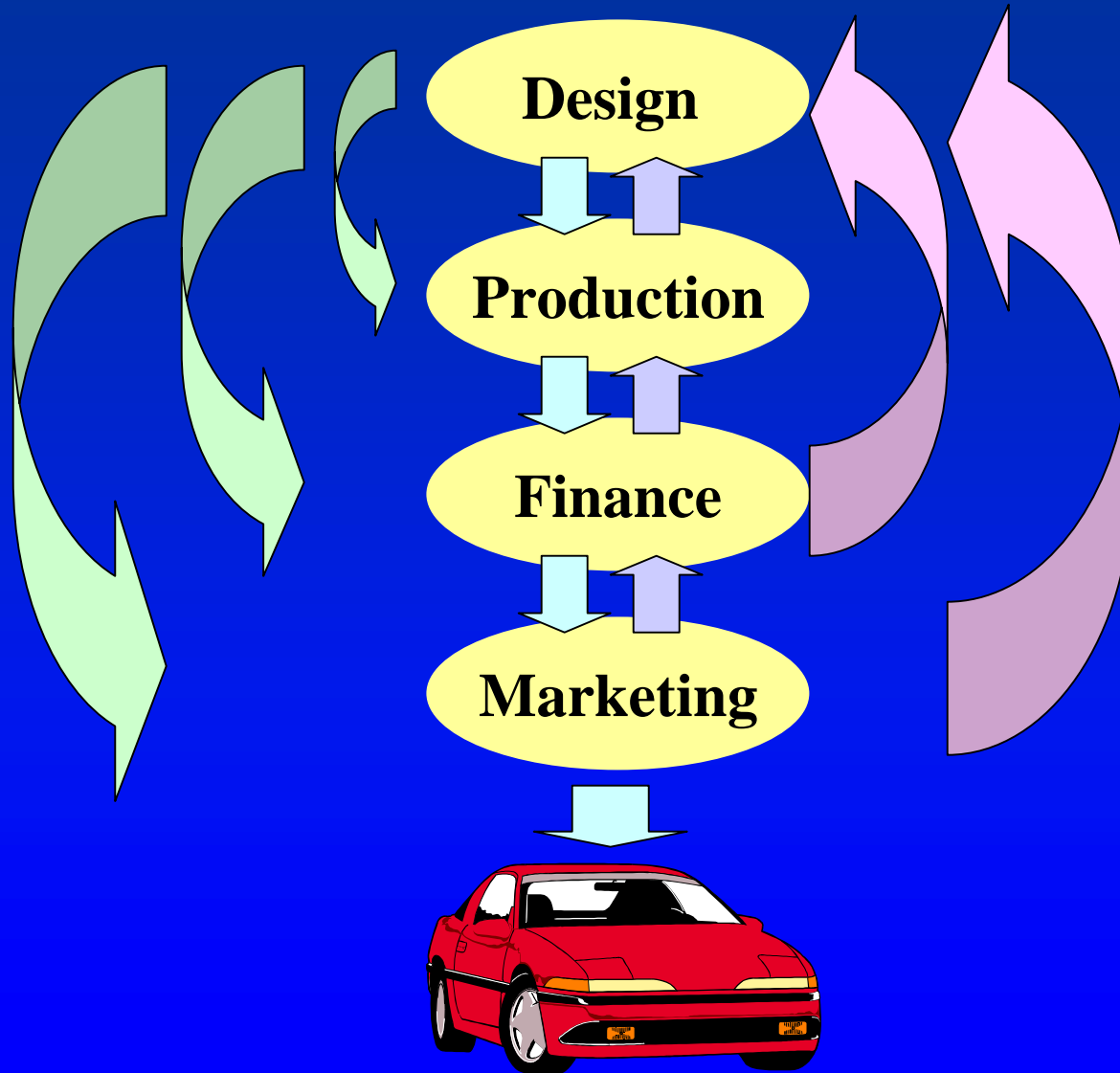
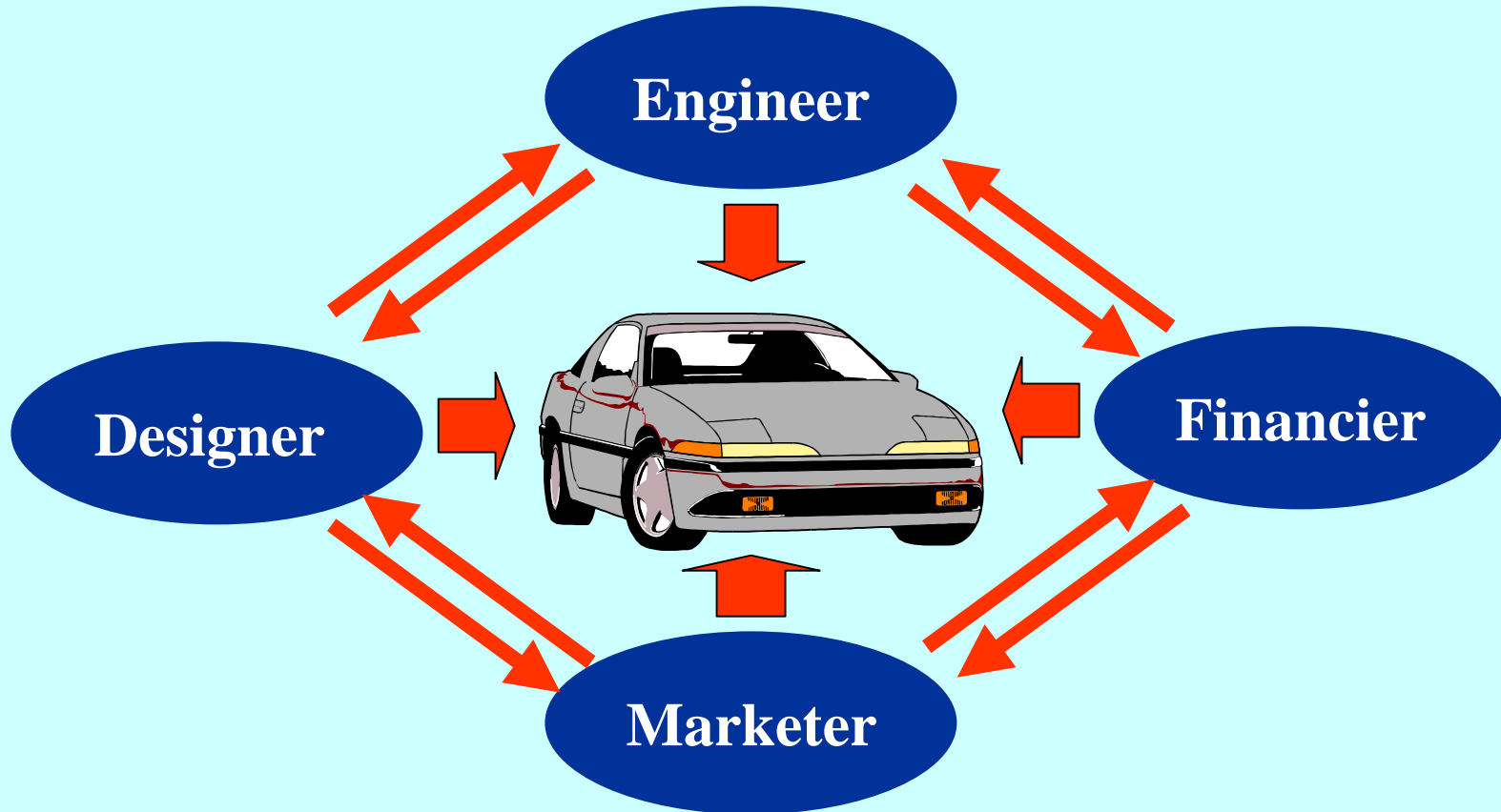
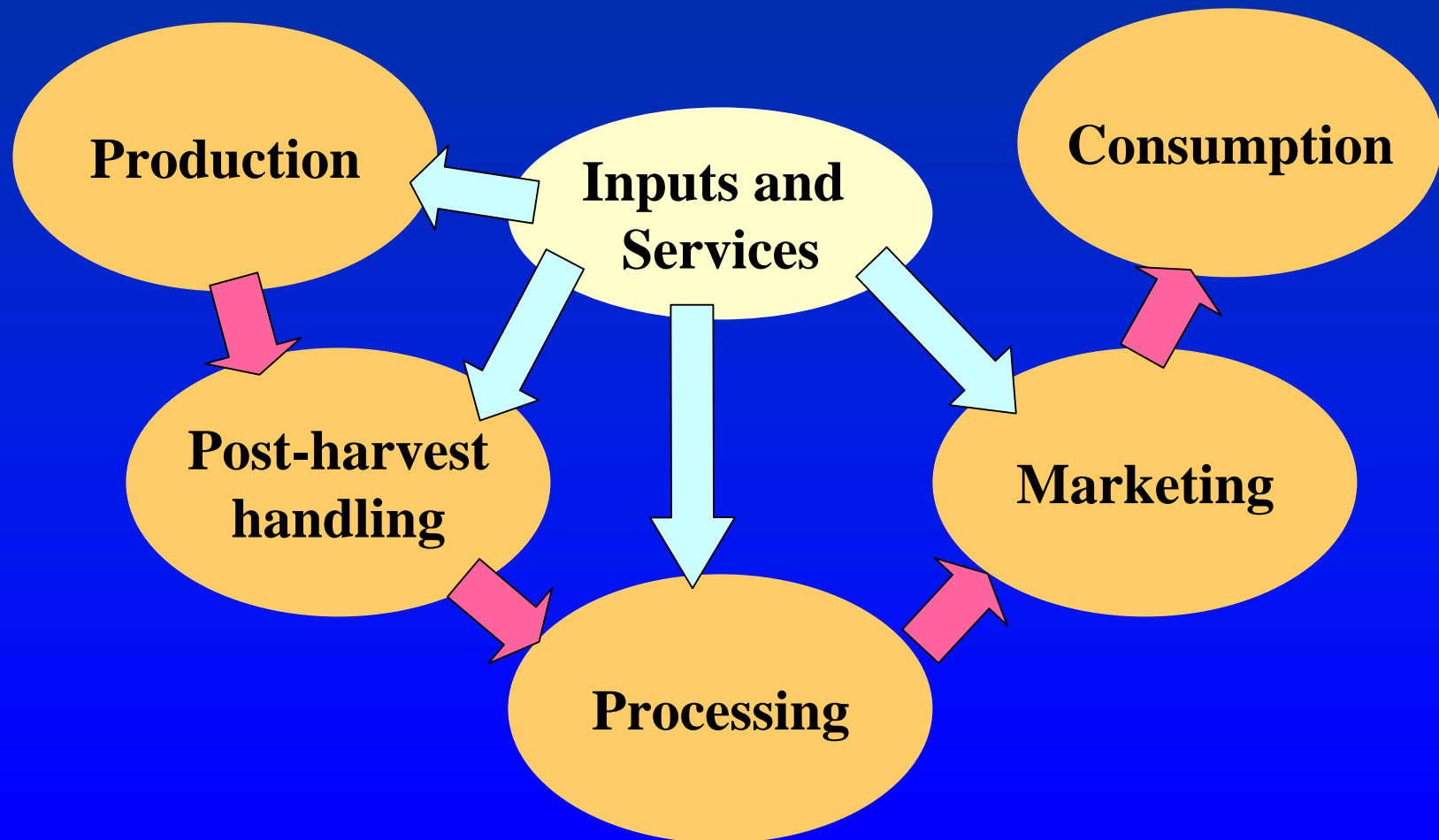


Illustration: Processes



Product development process

The Agroindustrial Chain



The Market Orientation

“The production of goods and services that are carefully studied and designed to appeal to the clients in the market”.



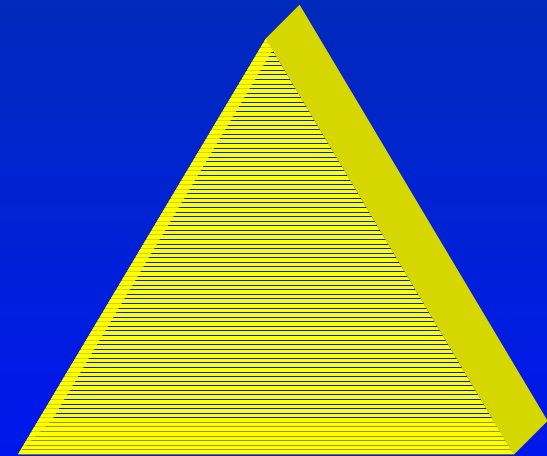
The greatest job of the organization is to determine the needs and wants of the target market and to satisfy them through design, communication, price and distribution of products and services which are appropriate and competitively viable (Kovacek)

The Market Orientation

The Social Marketing concept:

“The organization should determine the needs, wants and interests of the target market; afterwards offer these desirable satisfactions with greater effectiveness and efficiency than the competition, in a way that will maintain or improve the well-being of consumers and of society”. (Kotler)

Society (human well-being)



Consumers
(satisfaction of
wants)

Enterprise
(profits)

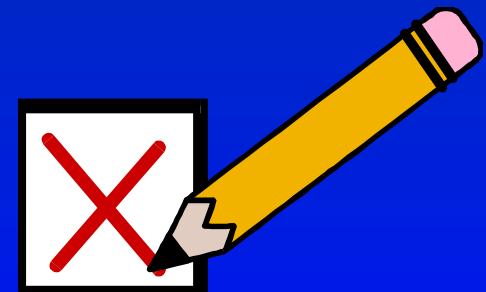
The Market Orientation

- The enterprise produces what it can sell according to market demand, and not vice-versa.
- It tries to satisfy the needs and wants of its target market.
- It monitors changes in market demands by means of market intelligence and market research.
- It takes the actions of competitors into account.
- It can manage a certain level of risk.

The Business Orientation

Tools for Planning and Changing

- Strategic Planning
- Business Plans
- Marketing Plans
- Reengineering (processes)



The Linkage of Social & Business Aspects

- **Socially-oriented endeavors should be sustainable**
- **To be sustainable, they must be profitable**
- **To be profitable, they must have a business orientation**

