

# \_HR, Compliance & Marketing



*To recap*

Revenue generation no longer falls primarily on the sales department, it's a collective effort where the entire organisation needs to be aligned across multiple functions from sales to marketing to customer success.





*To recap*

6 key concepts:

- Market
- Ideal Customer Profile (ICP)
- Value Proposition
- Offer
- Messaging
- Positioning



*\_human resources*



## human resources

It is the department of the organization that is responsible for managing the personnel, policies, and procedures related to employees. The primary functions of HR include recruitment, training and development, compensation and benefits administration, employee relations, performance management, and ensuring compliance with labor laws and regulations.



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**RISKS & CHALLENGES?**



# *\_human resources*

- ✓ Talent Acquisition and Retention
  - ✓ Employee Engagement
  - ✓ Diversity and Inclusion
  - ✓ Employee Well-being
- ✓ Globalization and Remote Work
  - ✓ Leadership Development
  - ✓ Performance Management



## *\_human resources*

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2. How to enforce contract fulfilment?
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Increase the global  
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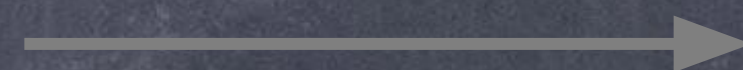
Maximum shareholder value



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everybody



Appropriate incentives!  
(salary, bonus, etc)



*\_human resources*

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Individual vs. Team incentives (?)



*\_human resources*

A way to align incentives with the team: **STOCK OPTIONS**



# *\_human resources*

A way to align incentives with the team: **STOCK OPTIONS**

Stock options are a form of compensation that gives employees the right to buy company shares at a predetermined price (**the strike price**) after a set period (**vesting period**).

If the company's stock price rises above the strike price, employees can profit by exercising their options and selling the shares at a higher market value.



# *\_human resources*

A way to align incentives with the team: **STOCK OPTIONS**

*The reasoning...*

- ✓ Attracting & Retaining talent: compensation package + long-term commitment (vesting).
- ✓ Alignment of interests: employees acting as owners, working towards company success.
- ✓ Cash Flow advantage: reduces immediate salary burden.



# *\_human resources*

A way to align incentives with the team: **STOCK OPTIONS**

*In practice...*

- ✓ Grant date: employees receive options to buy shares at a fixed price (= strike price).
- ✓ Vesting period: employees must stay in the company for a set time to earn their options.
- ✓ Exercise: once vested, employees can buy shares at the strike price.
- ✓ Liquidity event: employees can cash out via IPO, acquisition, round or private sale.



# *\_human resources*

A way to align incentives with the team: **STOCK OPTIONS**

## *Challenges...*

- ✓ Valuation risks: if stock price drops, options may become worthless.
- ✓ Tax implications: capital gains tax vs. ordinary income tax considerations.
- ✓ Fairness and perception: not all employees value stock options equally.



*\_marketing*



Art and science of choosing target markets and getting, keeping, and growing customers through creating, delivering, and communicating superior “customer value”.



*\_marketing*

Marketing is the process by which a company creates value for its chosen customer segmentation.



# marketing

Marketing is the process by which a company creates value for its chosen customer segmentation.

Value is created by meeting customer needs. Thus, a firm must define itself not by the product/service it sells but by the customer *benefit* provided.



*\_marketing*

APPLE as an example of customer *benefit* provided:



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APPLE as an example of customer **benefit** provided:

- ✓ Early 2000s: music industry facing challenges with piracy
- ✓ iPod was launched as user-friendly portable music player
- ✓ Value creation: not merely about selling a music player  
+ integration + software + marketplace
- ✓ Brand perception: shifted from technology to a lifestyle brand, associated with innovation, simplicity and UX



## The 4 P's of Marketing:

- ✓ Product: design and features
  - ✓ Price: pricing policy
  - ✓ Promotion: advertisement
- ✓ Placement: distribution strategy



## The 5 C's of Marketing:

- ✓ Customers: what needs?
- ✓ Company skills: what special competences do we have to meet those needs?
  - ✓ Competition: who competes with us?
  - ✓ Collaborators: who can we collaborate with and how?
- ✓ Context: what cultural, tech and legal factors limit what is possible?



VALUE = WHAT + HOW



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e.g. a can of Coca-Cola can be sold at a large retailer in 24 pack for \$5.99 (\$0.25 a can) or for \$2 for a chilled single serve through a vending machine



Current scenario / the trend:

- ✓ Digital marketing
- ✓ Brand management
- ✓ Content marketing



*\_marketing*

Coca-Cola as an iconic example for “digital marketing”



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## Coca-Cola as an iconic example for “digital marketing”

- ✓ “share a coke” campaign
- ✓ Engage consumers to share emotional connection with the brand
- ✓ Personalization, user-generated content, digital integration, social media engagement



*\_marketing*

Red Bull as an example for “content marketing”



## Red Bull as an example for “content marketing”

- ✓ Content creation beyond the product



**Red Bull Gaming**

422K subscribers



**Red Bull Bike**

2.39M subscribers



**Red Bull Snow**

705K subscribers



**Red Bull Motorsports**

1.54M subscribers



**Red Bull Surfing**

275K subscribers



*\_compliance*



*\_compliance*

Compliance in business refers to the adherence to laws, regulations, and industry standards that govern the operations of an organization. Compliance is critical for maintaining the trust of stakeholders, mitigating legal risks, and sustaining a positive reputation in the marketplace.



*\_compliance*

- ✓ Legal compliance
- ✓ Regulatory compliance
- ✓ Ethical standards
- ✓ Data protection and privacy
- ✓ Financial compliance
- ✓ Employee practices



*\_compliance*

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- ✓ financial manipulations and accounting irregularities
- ✓ failure of internal and external auditors to detect these practices



To come:

✓ Risk management & Treasury



See you on next session :)