Case Analysis #2 Enterprise Rent-A-Car

Student’s Name

**Introduction**

Enterprise Rent –A- Car commenced its operations in 1962 and since then it has established and successfully developed new niche in the car industry. It provides rental car services in several countries including United Kingdom, Ireland, Australia and the United States. According to Wirtenberg, Harmon, Fairfield, & Russell (2017), the business of Enterprise car mainly focused on the replacement of local citizen’s cars because of repair. In order to create unique rental service, the replacement of rental to trigger business growth. This enabled the company to increase its stake in the market by almost 78%, which resulted to increased profitability. Enterprise car also developed several assets which improved the performance of the company. () pointed out that Enterprise Rent – A- Car developed computer application. This provided competitive advantage in the market. Enterprise Rent Car carefully trained all its employees in the methodology which is highly useful in business. By focusing mainly on the local citizens or local opportunities, Enterprise managed to successfully grow its business against most of its rivals such as Hertz and Avis, at the same time keeping up dated with current trends in the market. Enterprise Rent A- Car also opened up several opportunities through its established growth in the market.

Car rental industry is very competitive worldwide. Enterprise Rent A- Car matches the need of customers by demonstrating its philosophy to its customer base. It established itself has the customer oriental through the provision of efficient service delivery to customers. According to Hull (2003), the company employs executive customer service programs, which makes it easier for the company to pick customers faster and drop them to their destination. Besides exceptional customer service, Enterprise Rent A-car created a way of measuring customer satisfaction level. It developed Enterprise Service Quality Index (ESQi), used by the company to measure its customer service provision. In fact, through conducting intensive research, Enterprise established that customer loyalty is not driven by just a word, it is a total committed to make sure that customers are completely satisfied with the service provision.

From the competition point of view, Hertz and Avis made a greater effort to enter the local market of rental cars. The two companies made a great effort and nearly came to succeeding. But because of the unique position of Enterprise in the market it lodged out Hertz and Avis from the market. According to Belak & Milfelner (2012), Enterprise is trusted and also positioning itself with insurance companies as the preferred provider in the market. However, it would be difficult for other firms such as Hertz and Avis to overtake Enterprise in the market. As stated by Balak and Milfelner (2012) as long as Enterprise kept its position and continue to develop new products and tap into new strategies as well it should be able to maintain its position in the market leader within the local rental categories. Though competition is stiff in the market, it would be difficult for other firms such as Hertz and Avis to take the control of the market.

Enterprise is also choosy when it comes to employment and therefore, it hires and trains all it employees. It is therefore, takes people as an important factor for the growth of the company. The training of workers or employees is essential part of recruitment and its starts from the initial stages to make sure that the company has established. The training begins from the recruitment and therefore, is expectation that each employee will rise to the higher position within the company. However, the problem of Human Resource of enterprise is related to employee retention. The company does not conduct additional recruitment and therefore, it should reform its human resource department to work closely with employees to build formidable working forces. Employee retention is a critical concept for the success of a company. Lack of it can affect the company since employees can easily get demoralized and this would negatively impact badly on the company performance. The strength of Enterprise’s human resource department is its ability to develop concept and provide training to all workers for efficient service delivery to customers.

The HR believe in every employee and therefore, the promotion of employees is done based on the assessment or evaluation result which normally conducted by the company. The human resource also provide career path in one of their business daily and therefore, it shows employees that there is future at the company. It also provide several awards and recognition to employees considered to have achieved milestone at the company. This boost the morale of employees and therefore, bringing stiff competition of excellent performance among employees. As a result the performance of the company increases hence increase market share and profitability.

Additionally, the company continued to experience success in the market through its partnership with other firms. There are also some advantages within the Enterprise which result to higher profitability. It is the company with the largest market share in the United States and expanded into other markets in Europe. Therefore, continuation in the rental car business require focus on market research to understand the challenges and what it is required to provide efficient services to customer. The company should therefore, focus on research and development (R&D) and customer analysis for successful operation in a competitive market.

# References

Belak, J., & Milfelner, B. (2012). Enterprise Culture as One of the Enterprise’s Key Success

Factors (Integral Management Approach): Does the Internal and External. *Faculty of Economics and Business Maribor* *, 12* (1), 2-35.

Hull, L. (2003). A Promotion of Enterprise Culture - Ready Unlimited. *www.readyunlimited.com*

*› wp-conten* , 2-15.

Wirtenberg, J., Harmon, J., Fairfield, K. D., & Russell, W. (2017). HR's Role in Building a

Sustainable Enterprise: Insights From Some of the World's Best. *https://www.researchgate.net/publication/237296294\_HR's\_Role\_in\_Building\_a\_Sustainable\_Enterprise\_Insights\_From\_Some\_of\_the\_World's\_Best* *, 12* (3), 2-15.