# E- COMMERCE SUPPORTS FIELD EMPLOYEES AT MAYBELLINE

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# **INTRODUCTION**

Maybelline began as a small, family-owned company in 1915. This small makeup line has grown and expanded into the number one line of cosmetics in the world today (Maybelline, 2008). Maybelline representatives started off advertising and selling completely by mail, until popularity of the brand initiated Maybelline's selling in drugstores, supermarkets, retail stores, etc. Additionally, sales representatives for Maybelline began to work in the field and visit stores around the area to sell Maybelline's makeup in-person. They would also travel to the stores already selling Maybelline, and check up on how their products were displayed, sold, and other important information regarding the inventory of their products (Turban, pg. 70).

From the 1990's to 2000, Maybelline sales representatives used the IVR system, or Interactive Voice Response system, while in the field to do their work. This system enabled them to call in their daily work activities every night after work. But eventually, a lack of accuracy was noticed, sparking a change in information technologies. Maybelline then employed the MSP, or Merchandising Sales Portfolio system. Through its advanced technology, the MSP system has increased accuracy and the way of life for reps and managers. However, despite the success of the MSP system, improvements will continue to be made to further the success of Maybelline sales representatives, and its company as a whole.

#### DEFINITION AND ANALYSIS OF THE IVR SYSTEM

IVR, or Interactive Voice Response system, allows for the capability to enter or retrieve data through a telephone. It gives the caller automated questions to either respond to verbally, or by pushing certain numbers on the phone that correspond with automated responses (HR-Software, 2007). The IVR system falls under the category of more than one information system as it represents a TPS, or Transaction Processing system; and an MIS, or Management Information system.

A Transaction Processing system processes the transactions executed within a company. Transactions include ordering inventory, purchasing products and materials, providing input for other information systems, collecting data, or performing any core operation (Turban, pg.43). IVR systems collect, store, and process the data that the company needs to know about Maybelline's products. The sales representatives collect all the necessary information from the stores and the IVR system processes that information and sends it to the managers. Transaction Processing systems are necessary for a company because they provide all the essential data in order to perform the required actions for the operations of a company.

Furthermore, IVR falls under MIS also known as a Management Information system. These systems are geared towards managers; they include summaries and batches of necessary information. Management Information systems provide the information that the management needs in order to make key decisions regarding improvements. The IVR system sends this necessary information to management by telephone. Management Information systems are known to be rigid and inflexible and thus IVR responses tend to be this way based upon their automation.

#### PROS AND CONS OF THE IVR SYSTEM

During the 1990's, the IVR system was very popular in the Maybelline Company. It benefited their work procedures and was a great improvement from their previous method of direct mail. Compared to older systems, the IVR was quicker and easier. It allowed for sales representatives to complete their work and inform their managers of necessary information as soon as they reached a phone to call from. As a result, transportation time and money decreased because the need to go to a post office was eliminated. Field workers only needed to go to one place to complete their work.

Although the IVR did improve work performance before the 1990s, it is no longer in use at Maybelline today. Due to increases in technology, the inaccuracies of the IVR responses were detected, and new ways were created so that field workers did not have to submit completely automated responses. The automated responses only gave managers menu-driven information that did not inform them on specifics or special cases. Also, it was very time-consuming as employees had to listen to the entire automation on the phone although they only needed to answer the questions that addressed their situation. Therefore, the IVR took up unnecessary time compared to new ways of communication and technology, and Maybelline's decision was to employ a new system, called the MSP system.

## **DEFINITION AND ANALYSIS OF THE MSP SYSTEM**

The MSP system, the Merchandising Sales Portfolio, began being used by Maybelline in 2000, and replaced the older IVR system. Sales representatives for Maybelline now carry around a PDA, which is a small handheld device with handwriting capabilities. The representatives write down all of their daily activities into the PDAs and the MSP system records it, and transfers it into the Microsoft SQL Server at Maybelline headquarters. The MSP system enables reps to include specific information in their daily reports so that managers do not waste time listening to unrelated questions and sec only the important information that they need to know. The Microsoft SQL Server, where the PDAS send the representative's information, is a large server that helps organize, analyze, and report data. This data can be seen anywhere at anytime, including on mobile devices such as PDAs (Microsoft, 2008). The Microsoft SQL Server sets the information right into the corporate intranet of the manager, where they can complete all of their assessments on the information and other necessary work.

MSP can be categorized under various information systems, similar to the IVR. An MSP system is an example of a Transaction Processing system, a Management Information system, as well as a Decision Support system. The actual PDAs are classified as personal information management systems (PIM), because they support individual daily activities in order to make lives easier and increase productivity (Turban, pg.43).

MSP represents a TPS because it processes the data that the sales representatives collect on the field. The difference between MSP and IVR is that the information is processed faster and more efficiently with the MSP system. The data is collected on the PDAs, and is directly sent to the manager's computer database. This TPS is more advanced and flexible than the IVR because it allows for more specific data to be processed.

The MSP system is also an example of a Management Information system because the MSP enables managers to retrieve information immediately after it is sent. The MIS gives managers summary reports, batch reports, detailed reports, and others that display necessary information to them. The MSP sends this data straight to the manager's computer, which allows for much easier access and much quicker response time to problems.

The MSP system also illustrates a Decision Support system in which managers are aided in their decision making processes. The system not only gives the managers the information they need to know, but it helps them decide what to do with that information. Decision Support systems cater to rapidly changing decisions which is necessary in the business world. In the case of the Maybelline sales reps, the MSP system helps managers to know what the causes are for certain situations; for example, what is affecting sales if a product isn't selling well (Turban, pg.71). The managers can then take this extra information and use it to help them in their plan of action to make improvements.

## PROS AND CONS OF THE MSP SYSTEM

The MSP system is a great improvement for Maybelline. It offers many more benefits than the IVR system, for both employees and managers. Due to the PDAs, and its handwriting capabilities, the data sent to managers is much more specific and accurate than the automated responses of the IVR system. Because the PDAs directly send the information to the SQL Servers in Maybelline headquarters, the MSP system is a lot quicker than IVR, allowing the managers to reach the important data right away. The MSP really benefits the Maybelline sales representatives due to its efficient nature as it reduces overtime by almost and hour. They can complete all of their reporting work within seconds with the MSP system. Also, the error-checking and validation features of the MSP decrease errors made by representatives and their daily schedules can be sent directly to their PDAs, all enhancing their ways of life and reducing their levels of stress.

Moreover, MSP benefits managers because they can respond to problems much quicker than they could with the IVR. This increased efficiency for employees has decreased turnover, saving the company money. Also, MSP takes over some of the capabilities of EDI, the electronic data interchange system. The electronic data interchange system is the process of "computer-to-computer exchange of business documents between companies" (CovalentWorks, 2008). MSP replaced the feature that sent information regarding inventory replacement straight to the shipping departments. This past exchange between computers now occurs simply by scanning inventory data into the PDAs, which in turn notifies shipping if inventory is too low once the data reaches the database. Managers are also benefited because of the decision making capability of the MSP system. As a DSS, MSP provides managers with the causes for problem situations, and helps them decide how to solve them. Lastly, MSP has been working to improve ties with retailers by figuring out the best ways of customer service.

The MSP system has been a great help to the Maybelline Company in many ways, however there is always room for improvement. The PDAs cannot send the representatives' data from anywhere because it still requires internet to transmit the data into the managers' databases. If traveling to a computer is necessary, then transportation time and cost will not have been reduced from when IVR was in use.

## RECOMMENDATION FOR FURTHER IMPROVEMENT

Based on the major advantages of the MSP system, there isn't much more improvement needed to better the lives of Maybelline workers. However, setting up a wireless system would make the MSP even more beneficial then it already is. With a wireless system, Maybelline sales representatives could transmit their data to Maybelline headquarters from anywhere. Furthermore, with wireless connection, there is no need to upload the data onto a computer first, and travel time and costs will be reduced. The timing will be even more efficient because management and employees would be running on *real-time*, meaning that they would be able to respond to each other as situations were occurring. The managers would be able to receive the data as soon as an employee writes it in the MSP system. If this new development was created, then the sky would be the limit for further improvements, which could either be a very good or bad thing depending on the extent of the potential changes.

#### **CONCLUSIONS**

Overall, the performance of the company seems to be improving as the MSP system has alleviated many business environment pressures. For example, the pressure of the changing workforce has declined due to the decreased turnover rate of employees. Also, managers now have the ability to react to problems much quicker, therefore opportunities are greater. The need for real-time operations has almost reached fruition, and could be with further technological advances.

Ethical issues have yet to arise with the new MSP system; however, there is a possibility that ethics could come into question if managers chose to look into employees' PDA information, beyond that of which is necessary for work. If personal information has been put onto the PDAs, there could be pressures of privacy infringement. There are, of course, always environmental pressures in the business environment, but it seems that MSP has done a good job in addressing them (Turban, pg. 13).

In conclusion, Maybelline sales representatives in the field have had their work, and lives, enhanced and improved by information technology. The MSP system over the IVR resulted in great success, benefiting both managers as well as employees. MSP is an example of many information systems, which illustrates how many capabilities it has, and how useful it can be to its users. Further improvements are possible, such as a wireless network; however the MSP system is adding great advantages to the company and Maybelline's success can only grow from here.

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