



# THE TIMES 100

## Enterprise Rent-A-Car summary

### Introduction

Enterprise Rent-A-Car (Enterprise) employs over 75,000 people and has a fleet of more than a million cars worldwide. Founder Jack Taylor had the simple belief - take care of your customers and employees first and profits will follow. This underpins Enterprise's four business objectives of customer satisfaction, growth, developing employees and making a profit. For any business to succeed it must have sound leadership that can change as circumstances change.

### Leadership and management

Managers use many skills to control businesses. They plan and organise, set budgets and control operations. Good leadership is also vital at all levels of a business. There are different styles of management, which influence how leaders communicate with employees. Enterprise operates an open door policy so that everyone can have direct contact with managers. Managers have a preferred style. These include:

- autocratic managers . who tell you what to do
- democratic managers . who let everyone help decide

Whatever the style, it should fit the circumstance. Sometimes a direct order is best, at other times discussion is better. When Enterprise recruits people, it looks for leadership qualities, which it considers core competencies.

### Autocratic style

This is when a manager makes a decision on his or her own. The effectiveness of this style is linked to how the manager thinks that workers will respond. Douglas McGregor described Theory X and Theory Y workers. Theory X workers need to be told what to do, whereas Theory Y types want to do well and are motivated by having control of their own work. Enterprise wants employees to use their skills to deliver high service levels. They can only do this if trusted, so an autocratic style is not appropriate at this level. However, in some instances it is. For example, CEO Andy Taylor insists that everyone follows the ESQ customer satisfaction measures. Other concepts or commitments that apply to the whole business may also come as direct instructions from senior managers.

### Democratic style

In many parts of the business, everyone can help in decision-making. Local offices and branch managers need to take decisions according to circumstances. They use different approaches for different customer requirements or problems. To be able to act independently is a good motivator for staff. Giving employees the power to make decisions is called empowerment. Empowerment makes employees more motivated and therefore better at their job.

### Laissez faire

This means let be and defines a looser style of management. This style sets broad limits and allows employees to operate freely within them. At branch level, many offices have this sort of freedom. However, they still work within Enterprise's own guidelines. One example is the Jack Taylor Founding Values Award for community projects. Each region decides what it will do to win the award, then chooses what project to spend the prize money on.

### Conclusion

Management is all about getting things done. Good leadership inspires people. Enterprise managers are picked for their leadership skills and will use different management styles as the situation demands working within the business framework and values.