

PRINCIPLE AND PRACTICE MGMT



Brand: Mehta Solutions
Product Code: case669
Weight: 0.00kg

Price: Rs500

Short Description

PRINCIPLE AND PRACTICE MGMT case study

Description

In August 2008, Wal-Mart Stores announced that its profit rose 17 percent in the second quarter and that it is raising its full-year forecast. In a challenging economy, the world's largest retailer benefited from low prices and its moves to cut costs. Wal-Mart's President and Chief Executive Lee Scott said that, "While inflation and higher fuel costs are pressuring suppliers, retailers and customers worldwide, we're confident that Wal-Mart is well positioned for this economy."

Chief Financial Officer Torn Schoewe attributed the better second-quarter profits to tighter inventory controls, which led to fewer markdowns on merchandise. One of Wal-Mart's goals — which it successfully met — was keeping inventory growth at half the rate of its sales growth which it successfully met. In contrast, sales at department stores and specialty retailers were lagging behind. What is the key to such good results? Wal-Mart overhauled its strategy. Instead of announcing any price increases to cope with the tough economy, the company slashed its expansion plans.

It refocused on lower prices, improved the mix of merchandise offered, cleaned up its stores and provided friendlier and faster customer service. But there is more to Wal-Mart's success over the years than just tighter inventory controls and lower prices. Wal-Mart is truly a great company. A strong organizational culture is the foundation for making a good company a great one.

The secret to Wal-Mart's success has long been attributed to its strong culture. Analysts

like Jim Collins believe that Wal-Mart had the kind of 'cult-like' culture that is shared by all great companies. +Wal-Mart employees are referred to as 'Walmartians' which is a sign of a unique culture shared by them. This culture is responsible for a company of this magnitude to be able to sustain its entrepreneurial spirit decade after decade. Since its early days, Wal-Mart achieved remarkable growth rates and was the first trillion dollar company in the world.)In 1999, Wal-Mart became the largest private employer in the US with 1,140,000 Associates. But with amazing success also came criticism.&al-Mart was sued many times and even held the record for being sued the maximum at one time. Its practices and culture were held responsible for killing small local retailers. It was also criticized for gender-based discrimination, its overtime policies and using sweatshop products

Answer the following question.

Q1. What does the reference of Wal-Mart employees as 'WalMartians' indicate?

Q2. Discuss why Wal-Mart was criticized and often sued.

Q3. Give the reasons for great success of Wal-Mart, the retailer company.

Q4. Debate the importance of organizational culture in making the company great.

Details

1. Case study solved answers

2. pdf/word

3. Fully Solved with answers