

Internal analysis of husky injection molding systems



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This article analyses the case “ Husky Injection Molding Systems” in terms of its evaluation of the overview of the Internal Scenario of the company. This means that this analysis mainly talks about the strength and weaknesses of the system including its corporate structure, corporate culture, corporate resources like analysis of marketing, finance, R&D, Human resource, Operations and IT Department of the system.

Corporate Structure

Present Structure of the corporation: The decision making in the present corporation is divided into two main groups in which one says that it is necessary for the company to defend its old traditional markets and the other group says to have a fire on fire approach and stand with the competitors’ strategies. One group says that there should be cutoffs in the expenditure whereas the other group says that expenditures made over engineering, research and development are worth it. The corporation was mainly organized on the basis of the functions, namely processing, resin makings and manufacturing equipments.

The present structure of the company is well known to Schad. He is the person who is the main motivation for rest of the managers working in the company. He knows all the day to day operations of the company, but it would be difficult to say that everyone in the company had the sense of responsibilities.

Corporation structure of the company is similar to that of the other organization as there is all types of departments like R&D, Operational,

Marketing , Finance, Human resource and IT, which all the other organizations have.

Corporate Culture

The main purpose of the Husky system was to be a role model in the industry and have a business success based on the core values of the company like making a contribution, do things in a better ways, have honesty, genuine care and considering environmental responsibilities.

Environmental sustainability is one of the important core values of the organization and hence the company is bringing all success keeping in view the environmental sustainability in mind.

The corporation culture is obviously compatible with the employees as there are some important annual savings of the company because of special care to the employees like there is a low injury frequency, low turnover rate, etc.

Corporate Resources

Marketing

The marketing department of the company is mainly there because to increase the market capture of the company in different parts of the company. In case of an analysis of Husky's revenue by region, there is a constant increase in the area in which the marketing has been done between 1988 and 1995.

There is a different between the marketing strategies of Husky and other companies. Husky equally concentrates on all the regions at once and does

not give an special attention to any particular region but other companies work in different regions but give a special attention to a particular region.

Role of Marketing Manger in strategic decision strategy is to increase the market capture of the company and to make it a better brand in the world.

Finance

In case of the financial analysis of the company, financial results seem really motivating for the company. There is a continuous increase in the revenue of the company as well as in the net income of the company. Return on sales also increased at a regular level. This clearly indicates that between 1988 and 1995, there is a huge financial growth of the company.

As compared to the competitors, Husky obviously has an edge because there is a huge range in which the company worked and obviously the market capture of the company is much more than its competitors and hence financial situation was better as well.

Financial manager helped in the strategic management decision as company went to the bankruptcy situation twice in its life span, hence there is no use of taking any risk in terms of finance and this is the reason that financial decisions are very important.

Research and development (R&D)

The main objective of research and Development of the company is to maximize the synergies between the related businesses which are there in the same industry. In order to fulfill the objectives of the company, Husky concentrated mainly on the manufacturing, support and development

facilities within the company. Husky took the advantage of economies of scale in the industry and created an environment.

Research and development obviously provides a competitive edge to the company but in case of Husky Injection Molding System, this was not the scenario, research and development incurred a huge investment because of which company had to losses at several situation, company even reached at the bankruptcy position.

If we stop talking about the huge loss which the company incurred at the starting position in the industry. There is a huge return which the company had gained between 1988 and 1995, before a major slump came. There was a continuous increase in the return on the sales of the company.

Company's investment in the Research and Development sector is much more than the other companies. There is a huge investment done by the company in the R&D sector even in the situation when there was a fear that it might not give as much as compared to the other organizations.

Husky Injection Molding System has a production capacity of 24 hours a day. None of the competitors had the same facilities.

Research and Development Managers are important for the strategic decision making because of the fact that Husky Injection Molding System is known for its research and development in making something new in order to increase its production. Hence Research and Development managers of the company will help in making several decisions which could lead to better production capabilities of the company.

Operations and Logistics

Main objective of Husky Injection Molding System in terms of its manufacturing and production is to use the clustering activities in order to increase the flexibility of the business and to operate in a permanent mode with high speed and flexibility and to build the new system as soon as there is a need in the industry.

The production activities of the company are mainly divided into two different campuses, one in Bolton and one in the Dudelange. This clearly means that production is done domestically as well as internationally. The main theme of the manufacturing system of the company is to bring the molding systems on the shop floors. The manufacturing division of the company had a huge capability and has shown several new approaches within the industry. For example in order to have different designs, Husky chose a modular approach in which systems are assembled according to the needs of the customers.

As compared to the operational activities of the rivals, a higher unit cost is incurred by the company but there are some investments were made in which company had advantages over its competitors.

The company mainly use produces plastic items which is very much harmful for the environment, hence it might be a possibility that company has to give a nice amount of compensation to the government for producing harm to the environment.

As compared to the competitors, Husky investment more on its production and as a result of this, there is a higher premium charged by this company as compared to the competitors.

There is an important role of operation manager in strategic decision process which is mainly due to the importance of production capabilities in the company.

Human Resource Management

The current objective of the human resource department of the company is that the employees should have a deep knowledge of equipments which are used in the production purposes and should know about the advantages over the commodity machineries. This is mainly because the company sells in the line of premium quality and premium price equipments.

The main strategies followed by the company to fulfill this objective are that company is building technical centers in key locations which can provide local training and support.

HRM objectives of the company are according to the budget and the financial backup. Company needs to have training centers outside Canada because more than 95 percent of their sale is from outside of Canada.

There is a proper fit between the employee job and the HRM performing at the company's level. It can easily be shown at an increase in the revenue level of the company. Till 1995, there is a constant increase in the revenue level of the company. Quality of work is obviously good within the company

and this is mainly because of the fact that company is working at a premium quality and premium cost and hence employees and better chance to grow.

Unlike Husky system, most of the competitors in the market mainly focus on one country or region.

In case of Husky Injection Molding System, outsourcing is mainly required in the IT sector of the company because of the fact that this is not exactly IT Company hence some of the important IT work has to be outsourced.

Obviously, in case of outsourcing HRM planning is mainly required because all the strategic decision and deals with other companies has to be done and this is mainly done by HR department only.

Main role of the Human Resource Manager in the strategic management process is to bring upon a highly skilled and technically strong employees within the core committee of the company so that strategic decisions taken in the meeting are meaningful and helpful. This clearly means that HR Manager of the company will have to go through a better follow up with the recruitment and employee benefit schemes.

Information Technology

The main objective of the corporation in terms of its development in the Information Technology sector was to take the toughest possible technical challenges within the industry and also to bring upon new technologies in order to cope up with the growing market. In order to fulfill the objectives of the corporation, Advanced Manufacturing Centers were set up by the company in which an investment of \$25 million was made.

In terms of providing useful database to the system, company has an all around development scheme. Actually, there is a 24 hours production and development strategy of the company which means that Information Technology has to be there with in the company in order to have such a production strategies of the company. This clearly means that IT performance of the company helps in assisting the managers and making strategic decisions.

In the other organizations which are there in the same industry in the market, there is an information technology which is more significant, efficient and reliable. There is a use of intranet and internet and several technology packages like ERP, etc. Husky System also had the same features in its organization and more over it has a development strategy of 24 hours a days. Hence, more useful.

Main role of the IT Managers in the strategic management process is to make a better communication within the organization and also with the external of the organization in order to give a better impact on the overall production and revenue generation of the company. IT managers should deploy high technology packages within the organization in order to improve the strategic decision process of the company.