Patagonia case essay sample

Business, Management



If the class focus on cultural control, the following assignment questions are appropriate:

1. The objective of Patagonia, Inc. seems not to be to maximize shareholder value. What is Patagonia's primary objective? Is this appropriate?

We think the primary objective of Patagonia is to make everything sustainable in the company, to create a flexible and freedom-working environment. To meet the employee' satisfaction and do contribution to planet. Yes, they are focus on the sustainable growth between 3%-5% but not the profit. So they are using the revenue in order to maintain that system.

2. Patagonia has a strong culture. Does this culture ensure that Patagonia employees will work hard and act consistently in the corporation's best interest? If not, what must Patagonia managers do to shore up the company's control system?

Initially, we think this strong culture will ensure that Patagonia employees work hard because they are given the incentives to stimulate them to work hard in order to take leisure. But also when the company wants to make some changes, it is difficult to convenience the employee act consistently in corporation's best interest because the company culture favored minimum bureaucracy and maximum informality.

If the class focus is on planning and budgeting processes or open book management systems, the following assignment questions are appropriate:

- 1. Evaluate Patagonia's Workbook Process. Would you recommend to Patagonia's management that they continue the process? Why or why not? Yes, we will suggest continuing the process. Because they are planning so they are looking for the future, also It's useful to coordinate with the other departments on cross-functional objectives and the position in the company and also because they are transparent, the employees can involve in the activities in the company.
- 2. If you recommend continuing the process, what changes would you suggest, if any? We think that It's not useful that all the employees should participate in the meeting because It's too much cost for the company and waste on time for the employees.
- Combine some steps in the workbook process as example step 4 and 5.
- Not monthly, annually update so they should meet one per year to analyze and evaluate what happen in the company - make meeting only for departments monthly to analyze the evaluation.
- Computerize the process, to make easy to share the information
- 3. If you recommend discontinuing the process, what would you substitute instead? Instead of using workbook process, the company could give the planning and budgeting task to the financial department. Not like workbook process, in this other model is the financial department and the high management the ones, which have the meetings with the other departments in order to figure out the planning and the budget for the activities. That will centralized the knowledge of the information and, therefore, that could make more formal the organization of Patagonia.