

# Management structure, carbon footprint, and employment policies of hershey compan...

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At Hershey, the R&D expenses are a line item on the firm's income statement. At Hershey Company, the firm has set aside a certain amount of money to develop new products. The firm has R&D facilities that develop, test and launch new products that are customized to the tastes and preferences of the consumers.

Hershey Company has a research and development plants in Pennsylvania, Illinois, Tennessee, Ontario in Canada, and Sao Roque in Brazil. However, in 2013, the firm opened a research and development center in Shanghai as parts of plans to expand its operations in the Asian market. The facility is located in Shanghai's Pudong district and employs 12 scientists as well as product developers. Besides, it will also have space for 32 engineers along with innovation staff. The American confectionery giant has been selling brands such as Kisses and Hershey in China. Currently, the firm is developing Lancaster milk candies, a Chinese brand (Best, 2013). This is part of the firm's strategy to drive global innovation and growth.

The management structure of Hershey is both functional and divisional, as evidenced in Figure 1 (The Hershey Company, 2005). Ferrell and Hartline (2011, p. 34) claim that this type of strategic operation lightens the load on top management and makes more efficient utilization of managerial resources. As the various divisions, they are headed by divisional managers. The various divisions within the firm work and compete towards the realization of the firm's goals and objectives. In the same way, the functional lines include research and development, human resource, accounts, design, sales and marketing, customer service, and quality control among others. All these sections have functional managers who report to the chief executive

officer. This type of arrangement permits the functional managers to focus on their area of responsibility.