

# Walmart sustainability report analysis essay



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Walmart Report Prepared for Ron McDowall Management and Sustainability

Prepared by Student ID Number: 1164041 Master in Business and

Management University of Waikato, Hamilton, New Zealand March 25, 2011

Nowadays when talking about Walmart we are referring to one of the biggest and successful companies worldwide. When talking about Walmart we don't just think about a supply chain of stores that are located in every continent, but a store that a consumer can purchase all kind of unimaginable goods.

Walmart isn't just a company that offers different sorts of products (food, clothing, tools, furniture, etc. ), it is a huge company with more than 8, 400 stores in 15 different countries and is also the source of work for more than 2 millions people all around the world (Walmart Sustainability Report, 2010).

The purpose of Walmart since the beginning has been to give their costumers lower prices, than those offered by similar stores. With that philosophy the company has been able to stand up in the retail market with amazing success.

As a positive for their customers, through its policy of environmental care, Walmart has been able give their clients products with great quality and with less toxic agents. Walmart has put lots of effort into its Green Project against the Greenhouse Toxic Gases, this initiative has made their stores more sustainable and less contaminating. In its attempt to create improvements in their labor policies, Walmart has created a number of benefits for their staff and as a result has been able to offer its employees better quality of life.

Task 1 1. Identify and describe how Walmart's expressed values and strategy both fits with and differs from the two management strategies we discuss in class. Walmart has a clear management strategy, the Fayolism,

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and how I came to this conclusion is the following. Part of Fayol's theory of management is based in more benefits for employees. " He had 14 principles and some of them talk about how a company should treat its employees. He states that workers deserve respect in their workplace, that they deserve also a fair wage and that they should have equity in the treatment.

Fayol believed that managers should be able to rely on their workers, that if a manager is able to trust them, they would respond acting by own initiative. " (McDowall, 2011) Having a deep look at Walmart's Report, I noticed clear characteristics of Fayolism, Walmart put under disposition of all the employees the company resources giving their Associates (another way for Walmart to call their workers) the opportunity to grow in the company and help them with the development of their skills giving them training. They also give their staff and their families health care coverage.

With this dispositions Walmart is going to have efficient and happier workers, and with the Company will have more benefits. 2. - Discuss how the values and strategy described on the website reflect what Walmart considers to be the right value to create and the right way to create that value. After having analyzed the whole Walmart report that appears on the web site, I concluded that Walmart stand out for the three following values: Save customers money (Walmart Sustainability Report, 2010, p. 23) • Walmart works direct with the suppliers and also use sustainable technology in their stores.

Both facts help the company to save money and that saving is reflected in the lower prices and quality products that they are able to offer their customers. Help people live better (community, employees, suppliers)

(Walmart Sustainability Report, 2010, p. 24) • Walmart have been developing their employees through a workforce development program and have also given them affordable health benefits. • The company also makes a lot of charity donations all around the world. • Walmart show concern for their suppliers giving them training so they can manage their business better using the best technologies.

Environmentally Responsible (Global sustainability) Walmart has three goals to try to reduce their CO2 emissions: - Renewable energy (Walmart Sustainability Report, 2010, p. 32) • Through these methods (solar panels, aerolic energy, efficient routing and loading for trucks, energy-efficient bulbs, advance refrigeration technologies) Walmart is able to have more efficient stores turning out fewer greenhouse gas emissions. - Create zero waste (Walmart Sustainability Report, 2010, p. 35) • Implement the use of recycled materials such as bags and other packaging and also reduce their use. Help with the implementation of water saving technologies for the company suppliers and for the company itself. (Walmart Report, 2010, p. 35) - Sell products that sustain people and the environment (Walmart Sustainability Report, 2010, p. 36) • Reduce hazardous substances in products sold in the stores. • Energy-efficient and fluorescent bulbs. • Sell only liquid concentrated detergent in all U. S. stores. • Expand Walmart's direct Farm Program in China. • Increase the average of energy-efficient and energy-intensive products that would be sold in Walmart stores. . - Explain your own opinion as to whether or not you believe that Walmart's core values and strategy creates the conditions necessary for Walmart's employees to create the right value that Walmart needs them to create. Based on Walmart's

Report after having a deep analysis of it, I believe that Walmart's core of values and strategies do create the necessary conditions for their employees to create the right value that the company needs them to create because Walmart offer their staff the opportunity to project themselves in the company.

Walmart gives them the correct training so that they would be able to affront with success the difficulties that they may be involved in their duties, by giving them the tools to develop their skills. This will demonstrate to the company what their capacities are for future growth. (Walmart Sustainability Report, 2010, p. 28) Walmart also offers their Associates an affordable health benefit program for them and their families, that help the staff to work more calmly and effective knowing that they count with support in that area.

(Walmart Sustainability Report, 2010, p. 8) For all these efforts of the company through their workers I believe that Walmart staff should be proud of working in a company that values the quality of life for its employees so they should be able to develop the values that the company has their core values based on. Task 2 1. -Create a table such as the one below and enumerate tow internal and tow external Walmart stakeholders that are addressed by the report. As you enumerate the internal and external stakeholders, illustrate what Walmart asks from that stakeholder as a contribution and what Walmart. Identify Stakeholder | Why is this stakeholder | Example of contribution from the | Example of inducement from the report | | | important? | report | | | Internal Stakeholders | | | | 1. - Associates | They are essential | - Walmart employees are | - Walmart offers its Associates wages | |(employees) | partners in the Walmart | the ones that

work direct with the | through their work, health benefits. | | mission | suppliers and the customers. |(Walmart Sustainability Report, 2010, | | | (Walmart Sustainability |- They are the face of the company. | p. 28). | | | Report, 2010, p. 27 to |- They contribute to the company with|- If they are hard workers they may | | | p. 29). | their time and they put in their work| also get recognition and promotions | | | all their talent, knowledge and hard |(Walmart Report, 2010, p. 8). | | | work. |- The company also gives training to | | | |- They also help the company with the| its staff (Walmart Sustainability | | | marketing through the word of mouth. | Report 2010, p. 28). | | 2. Manager | Is the public face of the |- He is the primary face of the |- Being able to work as a manager for | |(CEO) | company. company. | Walmart gives him an excellent | | | |- He has a personal commitment with | reputation. | | | | the company because his reputation is|- He also has a better salary. | | | | on the line. |- Just like the others employees he | | | |- He has a big weight on his | gets health benefits. | | | shoulders because he has to make | | | | important decisions so he is carrying| | | | a big responsibility. | | | | |- He offers to the company his skills| | | | and applies all his knowledge. He | | | | creates the future of the company. | | | External Stakeholders | | | | 1. Customers | Consumers of the products |- Consumers provide the company |- Walmart offer to its clients lower | | | that Walmart provides. profits. | cost products. | | | |- They also give loyalty coming |- The company also empowers them with | | | | continuously into the stores | the information through product labels| | | purchasing the products that Walmart | to decide | | | offers. which are the goods that they want to | | | |- Clients also give availability for | purchase. | | | | market research (supply-demand) so |- Walmart makes sure that the products| | | the company can

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know which are the | they sell are environmentally and | | | goods that people buy most. | socially good. Walmart Sustainability| | | - Customers are also a kind of | Report, 2010, p. 36). | | | marketing tool because they have the |- With the 8, 400 stores worldwide the | | | power of the word of mouth. | company offer accessibility. (Walmart | | | Sustainability Report, 2010). | | | - They also give convenience with the | | | opportunity to buy everything in one | | | place (megastore). | | 2. Suppliers | The ones that supply the |- They sell lower cost products that |- Walmart offer their suppliers | | products that Walmart | have great quality. loyalty, commitment, higher profits, | | sell. |- They have to adhere to the Walmart | fair and respectful treatment in | | standards (Sustainable Products | accordance with the local regulations | | Index) (Walmart | of each country. | | Sustainability Report, 2010, p. 2). - They give training to farmers | | |- They also of | through the “ Better Work program” | | for the company their loyalty and | (Walmart Sustainability Report, 2010, | | commitment. | p. 22). | | |- The company also helps the suppliers| | | to adhere to their standards. Walmart| | | Sustainability Report, 2010, p. 17) | 2. - Drawing on material we have discussed in class as well as Walmart? s sustainability information, explain your own opinion as to whether or not you believe that Walmart is effectively addressing the needs of the stakeholders you identified above.

Through out the past years, Walmart has been able to establish themselves solidly as a company with a captive public, which has been increasing thanks to the efforts of the company’s goal to be in the top end of world standards in retail. Thanks to the amazing growth of the company now we can see the efforts for the implementations that the company has created like to

promote the responsibility with our environment through their politics for their stores and with the requirements to their suppliers, employees and customers.

After reading the report it is possible to realize with the different data what the company is doing to help stakeholders life to be better. I have also seen with my own eyes that the things that Walmart said in the report they have been doing in my own country, Chile, like recycling bags which are being used to make new ones (Walmart Sustainability Report, 2010, p. 12), and with recollecting money for the Hogar de Cristo, that is a Foundation that helps poor people and belongs to the Catholic Church. Walmart Sustainability Report, 2010, p. 25) Through their campaigns, Walmart has been dedicated to create awareness worldwide about the future of our planet through their practices of teaching the necessary tools to implement adequate methods to maintain that clients can save a lot of money and also, better profits for their suppliers. With this practice at the end will translate in a lot of work that would allow the company to keep their employees and a better salary for the manager.

Customers will always be happy in the way they continue getting good prices and quality, if there are people that buy Walmart's products, the company will continue working with the suppliers so they will continue getting profits from Walmart. If Walmart continue selling lots of their products the Associates will keep their jobs and with it the health benefits and if everything goes well, the manager will be very pleased because the owners will be very satisfied and maybe he will also get an increase in his salary. To continue its development, a company of this magnitude should be able to

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incorporate new technologies day by day and Walmart for sure is doing it. Walmart is in continuous growth and will keep doing it and that for sure Walmart is and will continue being in the future a sustainable company effectively addressing the needs of its stakeholders mentioned above.

The company is doing things right, working with ethical practices and taking care of the environment, so if Walmart continued faithful to its policies that guide and creating new benefit of your company and stakeholders, Walmart will always have a successful future in the field of retail. References •

McDowell, R. (2011) Management and Sustainability: EXLD500-11GB (HAM) (lecture notes). Hamilton, New Zealand: University of Waikato, Department of Management. • Walmart Global Sustainability Report. (2010). USA in profile 2010. Retrieved from [http://walmartstores.com/sites/sustainabilityreport/2010/environment\\_overview.aspx](http://walmartstores.com/sites/sustainabilityreport/2010/environment_overview.aspx).