

Analysing the strategic direction of sainsbury management essay



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Each and every organization stands with certain strategic objectives which they want to accomplish. No enterprise will be successful in this competitive era without a solid, integrated strategic plan directed by a clear vision. To deliver organization's strategic objectives strategic manager needs no of competencies and skills.

This study is based on J Sainsbury Plc which is third largest supermarket giant of UK established in 1869. Mainly, it is committed to encompass range of healthy, safe, fresh and tasty food in quality and fare price according to customer's needs. However, it has expanded its business by a combination of acquisition of new store, retail service by concerning the customer need and satisfaction. Now, it is not limited with its usual product range of grocery and general merchandise; it has diversified its business with electronic goods, clothing, banking and insurance services and equipment. . Sainsbury is moving towards 'one stop shopping' which means customers can get all purchasing requirement from one place. Presently, it operates 890 stores comprising 457 supermarkets and 343 convenience stores throughout UK with more than 150, 000 workers to meet the requirements of modern market and Sainsbury has also expanded its customer its customer base through online by the help of [sainsburys.co.uk](https://www.sainsburys.co.uk) website which attracts many regular users.

This study has got five separate sections. The first part is introductory part which identifies and justifies the objectives of the study. The second part is about the identification of personal skills to achieve strategic ambitions of Sainsbury, third part explains to manage personal leadership development to support achievement of strategic ambitions of Sainsbury. The fourth section <https://assignbuster.com/analysing-the-strategic-direction-of-sainsbury-management-essay/>

will evaluate the effectiveness of the leadership development plan. The final section will explore how to promote a healthy and safe environment that supports a culture of quality.

Analysing the strategic direction of Sainsbury

Each and every organization has certain strategic ambitions that they wish to achieve, they might be vision, mission, overall goals and purposes that the business was set up to fulfil. Strategic Objective is clear direction for an organisation to move ahead, it helps to organization to grow. To determine strategic direction of Sainsbury this study is going to analyze mission statement.

According to corporate website of Sainsbury- ' our mission is to be the customer's first choice for food, delivering products of outstanding quality and great service at a competitive cost through working faster, simpler and together.' (j-sainsbury. co. uk)

Looking at the above mission, Sainsbury's core purpose is to offer range of best quality food in affordable price with best customer service to satisfy the customer's need in order to maximize the profit. To move towards this direction it has adopted differentiation strategy and it believes that it can be achieve through best quality food and unique customer service. In order to overtake this mission, it has explicit as well as implicit value within mission.

Explicit value: outstanding and superior service, quick and easy operation, working together as a team, best quality food, competitive price etc.

Implicit value: customer satisfaction and loyalty, effective communication channel, co-operation, collaboration, trust, team spirit, price checking with competitors etc.

The mission of Sainsbury is very clear about what it wants to achieve and it is unique comparing to other company's missions. It has required level of resources (i. e. financial and human resources) to achieve strategic ambitions so this statement is feasible and it is very specific towards its operations. It reflects the value of employee and customer to exist business so it motivates employee to gain commitment in order to achieve goals. It also reflects key component of strategy and the way of achieving objective. To direct company towards this mission, Sainsbury develops following strategy.

Great food at fair price

Accelerating the growth of complementary non-food ranges and services.

Reaching more customers through additional channels

Growing supermarket space

Active property management.

Evaluate the strategic skills required of the leader to achieve the strategic ambitions

In order to direct company towards strategic objectives, leader should produce effective, appropriate and timely decision. For this, leader should have no of skills and competencies or in other hand, there should be proper

alignment between those skills and strategic ambitions because leader play vital role to give the direction to company.

With in the Sainsbury leader plays architectural role which mainly focus on structure, control, and reward. To lead Sainsbury towards its strategic ambitions, leader required different skills and competencies which can be discuss at different levels of strategy.

Corporate level: ability to strategic direction and scanning, ability to building alignment and alliances, ability to understand people and situation, interpersonal skills, personal skills, communication skills , leadership skills, problem solving skills etc.

Business level: ability to building team and alliances, ability to understand people and environment, interpersonal skills, communication skills, problem solving skills, tactical skills, friendly etc.

Operational level: communication skills, interpersonal skills, customer service skills, IT skills, multi tasking, friendly etc.

Strategic objectives determine these skills and competencies. According to strategic ambitions leader should develop required skills and competencies and they should change expected behaviour. If any strategic changes occur in a business leader should develop new required skills. The change may be incremental adjustments or continuity where very little changes over time or periods of flux and uncertainty or major transformation. Within Sainsbury they want to move to contract staff for this leader may required to learn new language. Hence, without appropriate skills and competencies no leader can

lead business towards success. Strategic leadership skills and competencies is key component to manage business on behalf of the stake holder and provide direction in the form of a mission for leader. So it is crucial to evaluate strategic skills and competencies required by a leader.

Assess the relationship between existing, required and future skills to achieve the strategic ambitions

To accomplish strategic ambitions of Sainsbury, strategic leader needs to audit own knowledge, skills and capabilities weather it is sufficient for achievement or need to develop required skills. For this audit, leader need to map out the questions what does company need? Where am I at the moment? And where do I want to be? This helps to carry out gap analysis which can be the basis of personal developing plan. Here, Integrated Competency Model is relevant framework to conduct gap analysis. It can be used to assess relation between existing, required and future competencies. According to this model, individual competencies should meet the demand of job and organization's environment and these three aspects demonstrate the effectiveness of actions and behaviour of leader to lead company towards strategic ambitions.

Individual's competencies

Organization environment

Demand of the job

Actions or Behaviour

Figure: Integrated competency model

Source: Adapted from Boyatzis (1982)

Moreover, Gap analysis allows leader to identify his current status within Sainsbury and if there any skills gap or not required to get desire future state of organization.

What does the organisation need (top down)

Mission or Vision statement; values statement; Business plan

Competency requirement

Gap analysis

Current knowledge, skills and capabilities

Human resource development plan

What do staffs have to offer? (Bottom up)

Figure: Gap Analysis

Source: Adapted from Thompson and Mabey (1994)

By the help of gap analysis leader of Sainsbury find out what is the position within the organization in terms of outcomes, behaviours, skills and knowledge and understanding. Leader has sufficient skills knowledge and capabilities to lead the organization towards success. However, Sainsbury is expanding its business through diversification so leader needs to develop

additional knowledge, skills and competencies. Within company leader only have better idea about retail business but Sainsbury is expanding its business in banking and financial sector as well so leader should develop knowledge about finance and some skills as well in order to get desire future state within company.

2. 1 Discuss the opportunities to support leadership development

Sainsbury believes that personal leadership helps to support the achievement of strategic ambitions. In order to increase effectiveness of personal leadership organization provides opportunities of education, training and development to develop employee's level skills, competencies, knowledge and capabilities.

Within Sainsbury leader can use Johari Window Framework to explore development opportunities which is helpful technique for self awareness, self development, and understanding relationship. It also demonstrates how feedback from others enables learning to develop soft skills, behaviour, co-operation, empathy, interpersonal development.

Figure: Johari Window Framework

Source: Adopted form Joseph Luft and Harry Ingham (1955)

In this model, there are four prospective: Arena, Blind spot, Facade, Unknown. Arena represents area of free activity and shows information about person's behaviour, attitude, feelings, emotion, knowledge, experience, skills, views etc known by both the person and the team. Within

this area good communications and cooperation occur which is free from confusion, conflict, mistrust, distraction, conflict and misunderstanding. Blind spot talks about what is unknown by the person about themselves but which others know. This can be simple information or can involve deep issues (i. e. feelings of inadequacy, incompetence, unworthiness, rejection) which are difficult for individuals to face directly. Similarly, facade represents information, feelings etc anything that a person knows about him/herself but that is kept hidden from others. Finally, the unknown area advocates information, feelings, latent abilities, aptitudes and experiences etc that are unknown to the person and to others in group as well.

In order to enhance effectiveness of personal leadership, leader should increase Arena area by the help of undertaking development activities offered by Sainsbury. Another way to enhance effectiveness is feedback which can be gained by coaching, mentoring, performance appraisal, 360 degree feedback analysis, psychometric assessment, interactions sessions etc.

For this Sainsbury provides work based learning for train to gain (job related qualification) and apprenticeship programmes and conducts management training and development programme. It also has set mentoring programme that support in long term and create self learning environment to the managers by providing management related books, magazine, news paper.

Learning is key technique to develop skills, competencies, knowledge and self awareness that enable leadership development. Self awareness is crucial for leadership development. To increase self awareness and personal

development managers can use different technique such as Kolb's learning cycle, Personal SWOT analysis etc.

Personal SWOT analysis is technique which identifies leader's strengths, weaknesses, opportunities and threats or in other hand, it identifies development needs that enable manger to reach decisions on the next step to take and it also enable to plan to take advantage of any talents and opportunities. To make this evaluation more valid leader need to gain some input and feedback form others and these finding from others can provides useful input to development planning.

Manager needs to close development gaps to gain desire future position within Sainsbury and to lead company towards its mission. Leader has three options for personal development: education, training and development that help to increase self awareness.

Education

Development

Training

Self-awareness

Figure: Options for personal development

2. 2 Constructing a personal development plan to direct leadership development.

Leadership development is not one time process but the continuous process, to be winner in this process leader need to develop personal development plan. The following personal development plan has been constructed as a

functional manager of Sainsbury to be in desire future position and lead career towards success.

Table 1. 1: Personal development plan of Sainsbury's functional Manager

Objectives

What do I want to be able to do or do better?

Success criteria

How will I recognise success? How will I review and measure my improvement?

Actions

What methods will use to achieve my learning objectives?

Implementation

How will I practise and apply what I learn?

Leadership Skills

By followers I can know about my leading power. If they are happy and doing good job then it means I'm going good.

By quality of work. If working target is going towards objectives.

I have to practise more to make followers and able to handle challenges which come in front

I will practise in my workplace through giving quality of work and meet the target of work timely.

Presentation Skills

I can recognise my presentation skills through feedback of colleagues in college and organisation or myself.

I will keep doing presentation and (talk) speak in front of mass for 1 hour/ 2 hours.

I will say to colleagues to point out my weakness in my presentation

I will do presentation and keep saying even in small topics. Whatever, I learnt in my college organisation, I will go home and same thin tell to my friends and family

Skills to be improved

Activities needed to develop those skills

Resource Implications

How to monitor progress

Completion date

Leadership Skills

I will use this skill to manage staff and give right work in right time in my organisation while I am working

Friends, co- workers, support from manager

By feedback of friends and myself.

By the end of 2011

Presentation Skills

In our organisation there always have weekly huddle training and we have given training about that huddle in different topics and subjects. So I will be giving presentation on that given topics from target date.

White board

Paper

Pen

Meeting room

By calculating the times how many times I have trained staff of the organisation. More I did more I learnt and getting progress.

By the end of June 2011

To lead leadership development towards achievement of Sainsbury's mission, short term development needs is not enough so it is crucial to consider leadership development on long term basis. By the help of career planning a manager can align short term development plans with long term career development goals and aspiration. Here, career pipeline is important framework to build career plan of functional manager.

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Group Manager

Passage 6

Functional Manager

Passage 4

Business Manager

Passage 5

Manager other

Manager Managers

Passage 3

Passage 2

Passage 1

Start

Manager self

Enterprise Manager

Figure: Career Pipeline

Source: Adapted from Padler et al (2007)

The functional manager of Sainsbury is responsible for managing a business function at operational level and contributing to overall business goals. In terms of development to make the transition to the business level manager, the functional manager need to assess whether he is close to the moving up or not and to clear about what he need to do in order to attain this i. e. need to develop skills to building team and alliances, leadership skills, presentation skills etc.

For career planning Torrington et al.(2002) discussed the concept of ' career anchors'. According to this concept an individual have a combination of anchors that represent self-perceive talents, values and needs of individuals which are crucial factors in career planning.

There are other several considerations which may affect the career planning such as work life balance, parenting and caring, changing lifestyle values.

2. 3 Devise an implementation process for the development

One option for planning development is to use a SMART objective-based plan. Manager needs to develop SMART objectives to implement development plan. SMART objectives refers to-

Specific- significant, stretching

Measureable- meaningful, motivational

Achievable- acceptable, action-oriented

Realistic- relevant, reasonable, reviewable, rewarding,

Timed- timely, tangible, track able

The following SMART objective is developed by functional manger of Sainsbury.

To become business manager within Sainsbury by developing leadership skills and presentation skills by end of 2011.

For implementation of development plan manager needs to develop log format which is effective tool to plan and pursue leadership development ambitions. Log format allow manager to identify develop goals and performance requirement and capture feed back on leadership capabilities. Above table 1. 1 in outcome 2. 2 has already demonstrated it. Manger develop following log format for implementation process.

Table 1. 2:

Objectives

What do I want to be able to do or do better?

Implementation

How will I practise and apply what I learn?

Completion date

Leadership skills

I will practise in my workplace through giving quality of work and meet the target of work timely.

By the end of 2011

Presentation skills

I will do presentation and keep saying even in small topics. Whatever, I learnt in my college, organisation, I will go home and same thin tell to my friends and family

By the end of June 2011

3. 1 Assess the achievement of outcomes of the plan against original objectives

3. 2 Evaluate the impact of the achievement of objectives on strategic ambitions

3. 3 Review and update the leadership development plan

4. 1 Evaluate the impact of corporate commitment to staff welfare on organisational objectives

According to CIPD staff welfare is 'creating an environment to promote a state of contentment which allows an employee to flourish and achieve their full potential for the benefit of themselves and their organization.'

Sainsbury believes that being 'a great place to work' is rooted in its heritage and values that plays a crucial role in achieving its business goals. So it believes that employee is great assets to accomplish strategic ambitions. Only by the help of fit and healthy people and well motivated workforce, Sainsbury can reach to its strategic ambitions. So it is keeping employee in the central of heart of its strategy. For this it has own welfare policy for staff which helps to reduce high rates of absenteeism and save costs, motivate people and improve efficiency. Sainsbury is committed to maximizing the health and wellbeing of employees by promoting healthy lifestyles. It believes that wellbeing is not simply about the prevention of sickness or injury but the promotion of an equitable work life balance. For this it has own health and safety training programme and its promoting healthy lifestyles for employee.

Sainsbury is offering overtime allowance, travelling allowance, Christmas bonus, and pay holiday and so on as a staff welfare programme. It committed to provides opportunity to improve leadership capabilities, skills and qualification through ' You Can' programme. Company is committed to provide five domains of well being i. e. physical, emotional, values, personal development, and organisation/prospering work. The relationship between these five areas can be shown in following chart.

Physical

Personal development

Emotional

Values

Organization/work

Figure: five dominance of well being

Sainsbury is offering the entire well being initiative on the basis of cost benefit analysis.

4. 2 Discuss how a staff welfare environment can affect achievement of organisational objectives

Staff welfare engages three aspects that contribute towards staff welfare. They are work life balance, flexible working and reduction of work related stress. Staff welfare is crucial to gain employee's loyalty and increase their morale which develops efficiency and productivity among workers. It also helps to build up stable labour force and reduce labour turnover and absenteeism which helps to reduce cost. Staff welfare is the one way to

increase goodwill and enhance public image and combat trade unionism and socialist ideas. Those all things help to push organization towards success.

In real business world most of the corporate house recognized that it is hard to accomplish strategic objectives with out loyal, stable and well motivated workforce. Creating staff welfare environment is one way to build well motivated work force. In Sainsbury, leader is responsible for creating such environment. For this, leader can make such mission statement which focus on people and create working environment according to staff welfare policy and norms. Leader is responsible for making staff policy, health and safety policy. As a staff welfare policy, Sainsbury is providing basic medical facilities, offering health assessment, advising on sickness absence.

Likewise, it is advising on ergonomic issues and workplace design, promoting good health education including fitness and healthy eating, dealing with stress related cases and providing counselling services.

Finally, by creating staff welfare environment on work place Sainsbury can reduce costs, level of absenteeism and turnover rates, work related risks and threat of legal action and get better corporate reputation and increased productivity. Sainsbury is committed to create staff welfare environment in workplace which helps to build loyal, stable and motivated workforce which increase step in achievement of strategic objectives of the company.

4. 3 Consider the influence of a corporate commitment to staff welfare on the development of organisational values.

Organizational values define the organization's beliefs and rules that control the management of the company. It represents the corporate philosophy and

the support to the culture of organization. While developing organizational values, there is some influence of a corporate commitment to staff welfare. In this modern business era most of the company are keeping sharp eye on staff welfare to gain employees loyalty and increase their moral that enable to promote the efficiency of employee in work place which is beneficial to employee and company as well.