

Strategic human
resource
management case
nokia assignment



**ASSIGN
BUSTER**

In this part of the assignment we are analyzing Nooks in terms of their strategic approaches and try to answer following questions: What is the business they are in? Are they aware of their challenges? Which role do people play in their organization? Are they focusing on their strategy? First we outline main facts about the company, its history and the business it is operating in. Then we will analyze Nooks regarding their strategy and integration of the HARM as strategic partner in order to achieve their business goals.

Vision and Mission Connecting is about helping people to feel close to what matters. Wherever, whenever, Nooks believes in communicating, sharing, and in the awesome potential in connecting the 2 billion who do with the 4 billion who don't. If we focus on people and use technology to help people feel close to what matters, then growth will follow. In a world where everyone can be connected, Nooks takes a very human approach to technology. Nooks is the market leader in one of the most intense competed branches nowadays - the mobile telecommunication branch.

How did it come to this? What is the story of Nooks? The history of Nooks goes back to 1865. That was when Freddie Ideates built a wood pulp mill on the banks of the Tamarisk rapids, in Southern Finland. In the ongoing decades Nooks expanded their production. Nooks built additional mills and also entered continuously new markets and increased product diversity. So there were founded in 1912 the Finnish Cable Works or 1960 the first electronics department. In 1962, it made its first electronic device in-house: a pulse analyzer designed for use in nuclear power plants.

The company's involvement with telecommunications systems also began in the 60's, and in 1963 it started to develop audio telephones for the army and the emergency services. The electronics department went on to sell mainframe computers and run a computer centre to cater for the company's IT needs. Later Nokia also produced TVs (- by 1987 Nokia would be the third largest TV manufacturer in Europe), computers, radio telephones, data transfer equipment, radio links and analyzers, and digital telephone exchanges. Telecommunications expertise it developed from the 1960s onwards would become the core of its future work. In 1967 Nokia ABA, Finnish Rubber Works and Finnish Cable Works merged to create Nokia Corporation. The newly formed Nokia Corporation was ideally positioned for a pioneering role in the early evolution of mobile communications. As European telecommunications markets were deregulated and mobile networks became global, Nokia led the way with some iconic products. With the launch of the Nordic Mobile Telephone (NMT) service, which was the first international cellular network, a new era for mobile phones began in 1981. With this there took place a mobile explosion.

The mobile phone industry expanded rapidly. Nokia soon introduced the first car phones to the network and in 1982 Nokia's first digital telephone switch goes into operation. In 1991 the new mobile standard GSM opens up and Nokia's equipment is used to make the world's first GSM call. The probably most important strategic decision in its history was in 1992 to focus on its telecommunications business. Again it is Nokia's equipment which enables the first satellite call in 1994. Nokia became the world's biggest mobile

phone manufacturer by 1998. That was driven by its early investments in GSM technology.

With this strategic change in 1992 Nooks could achieve a huge increase in sales to North America, South America and Asia. Before this change most of its exports went to Europe, Nordic countries and the Soviet Union. Between 1996 and 2001, Nooks' s turnover increased almost fivefold from RUE 6. 5 billion to RUE 31 billion. The next step in Nooks' s evolution is to merge Nooks' s networks business and the credentialed operations of Siemens into " Nooks Siemens Networks". 4 For future Nooks plans to stay on track to contribute to increased economic growth and quality of life.

Nooks is aware of future technology and requirements and sees it as a must to equip people with the needed devices. Nooks key data As already mentioned above, Nooks is with a world market share of approximately 36% world' s largest cell phone manufacturer. It is a multinational organization and its headquarter is based close to Helsinki, Finland. Manufacturing, R&D, and sales representation sites are located all over the world. Accounting for half of the market capitalization of Helsinki Stock Exchange Nooks is by far Finland' s biggest company.

Since then there happened a lot. The mobile phone branch is a very young branch. Nevertheless it is one of the most intense competed branches which had his high in the SIMMS auctions at the beginning of 21st century. Bids for NUTS licenses got so high that some of the biggest companies struggled to survive. 256 million cell phones were shipped all over the worldwide in the third quarter 2006. In 2005 it was of total 816. 6 million units. This is an

increase of 21% from 2004. Increasing demand in emerging markets like China, India, ICE, boosted sales.

At the moment in the I-J there are more cell phones registered than people live there. Driven by the high pace of technological progress there are some global players who fight for every single market share. The big six mobile vendors - Nooks, Motorola, Samsung, LEG, Sony Ericson and Siemens increased their share as group during the year to control 79.4 per cent of the market. Sony Ericson grows quickest at the moment, at 43% annually, but Nooks is still the branch leader with 89 million units sold. However in this market this can change very fast. "As competition continues to drive price pressure in the low-end, and a design and more on economies of scales, or very carefully cut-out niche markets," says Carolina Melanesia, principal analyst for mobile terminals research at Garner. Despite still other organizations try to enter the cell phone market. The latest example is Apple, which goes for market share with a brand new product within 2007. In such a rough sea it is necessary for every market participant to stay on track and to do homework regularly.

None can afford to oversleep new technology inventions or cultural (life style) changes. Summarizing it can be said that Nooks is a modern company but with also traditional roots, which is exposed to a very fast and technology driven environment. It is a multinational enterprise which is performing in a global context and has to struggle with all thinkable cultural, economical, technological and demographical challenges. Additionally, mobile phone branch is one of the most intense competed and fastest changing branches in the world.

<https://assignbuster.com/strategic-human-resource-management-case-nokia-assignment/>

In this environment Nooks as the world biggest mobile phone manufacturer is responsible for almost 59, 000 employees and millions of customers. To achieve their goals (short term: to increase market value and returns; long term: to increase customer loyalty, brand awareness to remain as a market leader) Nooks has to put a lot of effort in their own organization" s structure/ system to stay competitive and flexible. This is essential to be successful in future in long term. How is Nooks confronting this difficult environment?

How does Nooks respond to these challenges? Which strategy concerning human resource does Nooks pursue to achieve their goals amid these threatening external factors? Ionians strategy Nooks follows a strong corporate culture and the management is committed to the companies values consisting of customer satisfaction, respect for the individual, achievement as well as continuous learning. Nooks management believes that each of their employees can contribute to success when they are supported in their specific skills.

Further, Nooks knows that they have to ensure quick development of competencies for future needs" and that they need 8 to create foresight about where the business is heading and to identify future competencies today'. Nooks" s strategy is to grow and remain competitive. This involves facing their changing environment by enhancing a positive learning attitude throughout their organization. Several Journal articles emphasize that Nooks is concerned about the future. Nooks responds to its challenges by developing a learning attitude. For Nooks only truly innovative ideas will enable Nooks to define the future development of their