

# Sonoco

Business



What was happening to the packaging industry at the time of the case? How will these changes impact Condo's strategy? The Packaging industry in 1990 was affected by the consequences of globalization. Due to which by mid-1990s the sales fell and there was pressure to reduce fixed costs due to which the management decided to reorganize the structure of certain functions, including HER.

This globalization had brought about high competitiveness, job uncertainty and change in products.

Consumer's needs had changed and that impacted upon the company's strategies and working systems. Apart from this internal challenges were existing such as cultural mind set, talent management and the way the HER is Integrated within the business. The financial crisis made the company shift from textile to consumers and industrial packaging. Domestic markets were being increasingly segmented as products were tailored to the preferences of distinct consumer groups especially In the food and beverages Industry.

Packing role was getting more attention. The companies had to invest in new technology proving attractive to manufacturing firms. Heavy manufacturing was moving from US to other countries as labor was cheap- packaging came into picture. Also to meet large customer needs due to changes In packaging. The Industry now focused on what the end customer wanted.

There was a need for development of a strategic model that would control accompanied costs. Hence generating top line growth reining in overall costs to be globally competitive.

What are Condo's current strengths in terms of its culture and people? What are the Mayans major weaknesses? Current Strengths in terms of culture The operating atmosphere at Sonic is a lot of tributary for work. Condo's collaborative, friendly and team orientated work surroundings policy is liable for its history of productivity. Sonic succeeded to grow and maintain competition in its core activity which of its subsidiaries. The very fact that a number of staff have worked at Sonic throughout their career is an indicator of its career management strategy.

Sonic has been able to retain their employees that may be a good strategy for competition. Sonic is characterized by an ethically aligned culture which may be seen within the worth that attributed to the staff The ethics of its company culture is testified by an employee who clearly says ' Sonic may be a cluster of normal people doing extraordinary things'. Weakness Lack of management strategy: Sonic had an absent or failing performance management strategy.. Evaluations failed to typically mirror associate staff performance .

Personnel were set off the corporate while not excusable reasons. Worst even, proficient staff lost their jobs attributable to the shortage of a reference management strategy. This was dangerous for the sustainability of the corporate. Dependency on General Managers: Rather than viewing talent as an 1 OFF and techniques of the current managers. The foremost downside with such a system is that outlined objectives are typically a mirrored image of individual interest and fail to profit the organization.

Uneven Distribution of HER: Most of the her talent was targeted at the highest of the organization whereas smaller divisions were left to work out structure issues on their own.

Most frequently organisms with low thought or her fail to tap out the potential from their workers and therefore fail to require advantage of a vital competitive advantage. Lack of Reward Management policies: The extremely structured and mechanistic system obscured verity performance of staff and additionally contributed to the problem in distribution appointing new managers.

What were Cindy Hartley objectives for changes at Sonic? Linking HER processes with people, culture, values and business objectives were the main line objectives of Cinder Hartley described under the below broad categories : Mechanical and arbitrary compensation : Employee development process Succession planning The following steps were taken: Performance Planning and Feedback Here identification of core competencies for both employees and leaders in line with the business objectives was taken.

An integrated performance management system was to be designed. Feedback systems to give and training programs were held. Identification and selection of tomorrow's leaders Career plans were developed and supported by timely feedback Development Development opportunities on the Job supported by online trainings, Sales and racketing training and team skill development backed by the Rewards and recognition systems.

Compensation Focus was given o valuing differences among the diverse workforce by 360 degree reviews. To resolve the existing issues it was <https://assignbuster.com/sonoco/>

necessary to improve the culture of managing performances, achieve an integrated talent management strategy and consolidate the HER changes implemented over the years and obtain a more effective cultural integration between its HER and the subsidiaries. Two models were suggested by Cinder for the same, one a centralized model and other a Hybrid model.