

Wal mart hr strategies

Business



Abstract Wal-Mart is the largest retailer in the world. They have reached such success by offering everyday low prices to a generalized target market of middle to lower class, though anyone looking to save a buck can be attracted.

What does Wal-Mart do to stay on track, stay running with a diverse workforce, and continue to offer the best deals around? ? Wal-Mart has recently introduced a strategic approach that would help sustain their role as the largest retailer in the world, as well as keeping their customers happy and healthy.

The initiative has been dubbed “ Project Impact”, and was introduced in late 2009. The projects purpose is to improve the benefits to the consumer. There are three initiatives within the project which include; “ Save Money, Live Better; Win, Play, Show; and Fast, Friendly, Clean” (Murray, 2013). With a declining economy, as well as a loss in consumers due to the likes of Target Co.

and other competitors, Wal-Mart needed to make a change in order to keep their customers coming back. So they restricted their strategic approach.

Wal-Mart has revamped its approach and internal design by widening aisles, enhancing the use of signs within the store for product location, as well as adding natural light to offer a friendlier atmosphere to their customers (Murray, 2013). The first Initiative in their new approach is “ save Money, Live Better. ” As one can see by the title, Wal-Mart is continuing to obtain price leadership.

Wal-Mart is known for their everyday low prices, but must continue to ward off attempts from rival organizations. They are able to do so with the help of their private labels.

In a day and age when people are choosing to save money, they can choose a cheaper alternative choice in Wal-Mart's own private labels such as Great Value (Murray, 2013). The next initiative is Win, Play, and Show. Wal-Mart wants to be the first in the market to be able to showcase new products; allowing them to lead in pricing. They also want to make it where vendors will continuously market to Wal-Mart to maintain their positions on their shelves.

And finally, with show, they don't want to overwhelm the consumer with products, yet they do not want to lack a particular good.

So say they have multiple brands of a particular product; they are now narrowing it down to the top market choices. With Fast, Friendly, and Clean, Wal-Mart wants to enhance the in store experience of the consumer. Merchandise flow plays a big part. " Wal-Mart has a merchandise replenishment cycle of no more than 48 hours.

Wal-Mart has adopted efficient processes such as cross-docking which as reduced operating costs, increased throughput, reduces inventory levels and eliminates unnecessary handling and storage of product" (Murray, 2013).

Wal-Mart has adopted a " green" policy. Sustainability is crucial in this effort. " The company is dedicated to maximize the efficiency from the raw material phase to the manufacturing phase, from supplier to distribution center, from distribution center to store, stockroom to shelf, shelf to consumer, from store
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to home, from pantry to consumption with the ultimate goal of Zero Waste” (Murray, 2013). In order to make all these things attainable, Wal-Mart must maintain a well trained workforce.

This workforce must be given all the tools necessary to complete the tasks at hand, as well as be equipped with a set guideline as to what must be done in order to continuously lead the industry.

This lies heavily on Human Resources and Top Management alike. Wal-Mart has been in the headlines quite a few times in terms of what they “lack” as an organization. First off, Wal-Mart has been well known for their distaste towards unionization, and has even been known to shut down facilities that have successfully obtained a bargaining power (Capelli, 2006).

This has been a highlight of top stories in the media, but other issues are very much among us. Health care is a recent issue that has poked its head out. It is becoming more apparent that Wal-Mart offers relatively little access to such benefits.

Many states that offer health-care subsidies to low-income individuals and families have discovered a disproportionate number of participants employed at Wal-Mart (Capelli, 2006). Since this has come out, Wal-Mart has released that they will be expanding benefits to their employees, starting with opening health clinics within their own stores.

Another issue is that Wal-Mart makes it as if they are there to help those who need financial assistance. An everyday low price is all they hear. Evidence has shown that Wal-Mart stores have a negative effect on the outlying areas in which they build.

Opening up a big store will surely create jobs for that area, but it is actually the smaller businesses that are hiring the majority. Wal-Mart basically comes in and offers these low prices, and they mom and pop stores can no longer compete (Capelli, 2006).

This attempt may also lower wages within a geographical area. You may have high pricing businesses that are being outsold now that Wal-Mart is in town. They cannot continue to pay their employees what they were because there is simply not enough coming in. All it takes is a simple marginal analysis to realize that they simply cannot compete.

What this shows is that Wal-Mart's so called beneficial, consumer friendly business strategies do not match up with how things are run internally.

One cannot claim that they are for sustainability and responsible stewardship, and continue to knowingly undermine the backbone and driving force of the organization. It is as though Wal-Mart may have reached a point where they blindly follow a " Money-is-Happy" economical method. ?
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