

# Answers to cases

Business



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Situation Analysis Timberland is a multinational corporation established in the year 1918 by Nathan Swartz. The company is situated in Boston. The company offers products which include clothing, outdoor boots as well as accessories. The products of the company are offered through departments, speciality stores as well as retail stores in different countries which include North America, Asia, Europe, Latin America, Middle East and South Africa. Moreover, the company has been effective in its operations due to superior quality products. Almost 48% of the stock of the company is for trusts as well as charitable foundation and operations. The main objective of the company is to execute its operations with greater social development and assisting people to develop as well as grow in an effective fashion for better future. Additionally, the company has formulated as well as implemented various social responsibility services which include ' Path to Service' and ' GREEN' programs with the aim of better community and environment development. Along with various social development programs, the company has also offered cash assistance towards non-profit organisations through its social programs. The company has also initiated a carbon emission program to reduce carbon emission (The Timberland Company, 2005). Stakeholder Theory Approach In accordance to the case scenario, it can be identified that the company has been effective in executing its operations in a proactive manner in the worldwide market segments. However, there are certain issues which can be identified from the case scenario that the company is mainly concerned towards the social and the community development. In this regard, the development in the technological fields and the advent of <https://assignbuster.com/answers-to-cases/>

globalisation has caused the company to face intense pressure from competitors. In this context, the various issues can be identified on the basis of analytic theory (Fontaine & et. al., 2006). The shareholders of the company are concerned about the fact that the management of the company is least concerned about their returns. The customers perceive that company do not execute any type of market survey in order to determine the needs as well as demand of customers with the changing business environment. Moreover, the company has not adopted latest technologies in its production process which will further reduce the competitive position of the company against its business rivals in the worldwide market segments. In this respect, the competitors will face less competition from the company thereby losing the competitiveness of the company. The suppliers of the company are not provided with adequate services and other considerations which may unfavourably affect their relationship. Communities and non-profit organisations are the major priorities for the company towards the development of social as well as environmental conditions while other factors are severely neglected. Thus, the main issue is that the company is the failure to initiate strategies other than social services for all-round development. Stakeholder Map It has been identified that the company is not much concerned with the return to its shareholders. The company neglects the fact that one of the prime responsibility of the company is to offer favourable return to its shareholders. At the same time, the company is involved and highly focussed towards social responsibility and making charitable grants. Moreover, the company intends to manufacture innovative products that best suits the need of the community rather than emphasising profit maximization issues. It can be firmly revealed from the case that the

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company mainly prioritises on community and non-profit organisation and relatively less on the other business aspects that would yield maximum benefits in the form of increased competitiveness and profitability. It is also apparent that the creditors as well as employees of the company are neglected by the company. However, the company strives to meet the needs of its customers efficiently and effectively (BSR, 2011). The stakeholder mapping is revealed below: AGAINST Position on the issue FOR The stakeholder mapping in the above diagram depicts the various positions of the stakeholders on the company on the basis of the identified issue.

**Solution or Recommendation** On the basis of the identified issue from the case, it can be recommended that in order to promote all-round development of the company, it should improve the decision-making process in management. In this respect, the company with the assistance of this strategy will be effective in making appropriate decisions towards all-round development. The effectiveness of the decision-making system will assist the management in making suitable decisions for better customer satisfaction, providing adequate returns to shareholders, attaining cordial relationships with suppliers and assisting employees with better technological support.

The above asserted recommendations will facilitate the company in making effective progress in every aspect and attain significant growth.

**References**  
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