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Newsprinters: Transformation Amplifies the Original Advantages

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Abstract. Newsprinters is the main supplier of printing the newspaper and it has printed millions of copies daily supplying newspaper publishers including The Times, The Sunday Times, The Daily Telegraph, The Sunday Telegraph, The Sun and The Financial Times. Newsprinters has gained the three plants which have the latest technology and they have invested a lot to be the leader in the mass-producing copies. Newsprinters' has the vision to cooperate with the publishers to offer the sustainable benefits. But in recent years, it seems that the printing industry has been affected by the digital and internet technology, it has asked the organization to make some change. In this paper, it will analyze the strategic capabilities of Newsprinters.

Keywords: Newspaper industry, strategic position, Organization management.

1. Section 1: An Analysis of the Newsprinters' Strategic Position

1.1 An Overview of Newsprinters

Newsprinters is the main supplier of printing the newspaper and it has printed millions of copies daily supplying newspaper publishers including The Times, The Sunday Times, The Daily Telegraph, The Sunday Telegraph, The Sun and The Financial Times. Newsprinters has gained the three plants which have the latest technology and they have invested a lot to be the leader in the mass producing copies. Newsprinters' has the vision to cooperate with the publishers to offer the sustainable benefits. Their modular service has offered the various choices to the consumers, from the print, logistics to the ancillary circulation service. They have kept continuous investing the plants to offer the advanced technology and national printing operation in UK. But in recent years, it seems that the printing industry has been affected by the digital and internet technology, it has asked the organization to make some change. In this paper, it will analyze the strategic capabilities of Newsprinters.

1.2 Identify and Apply Appropriate Tools and Techniques to Analyze

1.2.1 The Internal Environment of the Company

In this part, it will use the SWOT model to analyze the internal environment of the company. Firstly, as for the strengths, it is the main suppliers for the newspaper prints and it has the high reputation of the mass- producing copies. From the perspective of the logistics, it has built up the daily national distribution, with the 365 days a year and 24 hour a day in UK (Newsprinters). It has offered the professional printing of the magazine and newspaper in the fast rate with the careful planning, precious and detailed attention. They have cooperated with the printing consumers to share the marketing route and be benefit to each other. There are national distribution services with the M25 retailing service. The distribution efficiency is necessary for Newsprinters to reduce the operation cost and improve the distribution efficiency. In terms of the weakness, at present, the business is not equipped with the strong capability to deal with the change of the technology and internet media. The urgency management is weak in Newsprinters. In terms of the opportunities, Newsprinters has extended its platemaking and workflow contract with Agfa for another four years to 2022 (Newsprinters,2018). They have upgraded the high efficiency machines to gain the best flexibility and reduce the operation costs. It is aimed at satisfy the more demanding editorial requests providing an enhanced and more flexible service. As for the threats, the business of Newsprinters is under the direct threat of digital news (Thompson, 2004). Many printing companies have accepted the end of printed newspaper. Newsprinters seems to be the last man standing in newsprint business. Its main

challenge is from the complicate amortization of the machines and the cost for the factory operation, which leads to the high financial operation rate. It means the reducing sales volume will cost the loss of the organization. It is urgent for the organization to take the new innovation and attitude to solve this issue.

1.2.2 The External Environment of the Company

The model of PEST will be used to analyze the external environment of company. The Printing Industry is UK's fifth largest manufacturing industry with 12,000 companies and more than 160,000 employees (Turner, & Deadman, 1983). Most of the companies are in the small scale. It is an important industry to the economy, which can satisfy the demands of public organization, retailing, distribution, financial service and tourism.

From the perspective of politics, Political Legislation IPPC (Integrated Pollution Prevention and Integrated Control) has been an important regulation to the environment protection. It has involved the protection of resource and efficiency of source operation, accident prevention and minimizing the pollutions. ICO (Information Commissioners Office) has gained the new power to regulate the printing companies in terms of the data protection and the environmental protection. The printing industry has been related to the various environmental issues like water pollution, waster processing and emission of the source.

As for the economy, the modern economic decline has brought the obvious effect on the industry with approximately 200 companies already going into administration with 3000 jobs lost. In additions, the printing paper is rising and the paper giant 'Sappi' claimed to raise the price to ensure the operation of the company. In additions, with the rising price of the resource and the fuel, machine has depended on the energy consumption. With the development of globalization, the financial centres, large multinational corporations, and national capitals have been connected together. They are affecting the tendency of the local media.

As for the social environment, the business of newspaper has been affected by the online media and it has the limited income including the newsstand sales, subscription and advertising (Mitchell, & Walker, 1997). Compared with the online media, its further development seems limited by the traditional form. But the Internet has broken the monopoly of production and distribution. It has led to the small profit and the business of newspaper. In additions, with the disposable income lower and the diverse ranges of the packages, the consumers can choose to print for themselves with the templates on Microsoft or Desktop Publishing.

In terms of the technology, the technology has brought the important effect on the organization. The digital technology has brought the advanced situation for the printing industry and it can bring the fast returning time and lower cost. Internet is another technological factor (Peng, & Nunes, 2007). More than 73% of the UK families and 30 million people use the Internet. Printing industry has been connected with the internet and the consumers can order online, which is a tendency for the industry.

1.3 This Analysis of the Company's Strategic Position Should Include:

(a) Leadership and communication

For the leaders, the communication is the connection and inspiration in the organization. They are not only delivering the information, but also building up the consistence in conducting the strategies. The communication is one of important leadership skills in the organization. The effective communication can be started from the leaders and the communication can be the effective tool for leaders. In the good times, especially the challenging time, the written and oral words and actions can represent the vision and value of the organization. George Donaldson, Group Continuous Improvement Manager for Newsprinters has tried to deliver the value of the organization and the three main pillars are organisation, standardisation, and engagement based on integrated teamwork. The leaders of the organization are skilled at encouraging the staffs and focusing on the details. The leaders are trying to communicate and deliver the value clearly to the staffs. For Mr. Donaldson, any newspaper printer starting out in this direction should definitely start with the 5S principles and he thinks that 50% of the failures should due to the managers. Some works may be easy but it is hard to maintain (Bass, & Avolio, 1993).

(b) The company culture including its ethical and value base

Newsprinters has been known as the chosen manufacturer for many of the UK's well known and respected newspapers for the advanced quality, reliable tradition and continuously developing culture (Jackson, Joshi, & Erhardt, 2003). They aim at delivering the news every day. They are aimed at offering the right print and distribution solution to the National and Local newspapers. From the perspective of ethical decision making, as the printing industry is connected to the fuel consumption and the environmental protection. Newsprinters has tried to improve the operation efficiency to avoid the environmental pollution in the environment. With the Manroland Colourman presses, they are able to offer enough scope and flexibility for the market demands.

(c) The company's position in the sector

Newsprinters has gained the three plants which have the latest technology and they have invested a lot to be the leader in the mass-producing copies. They have offered the service and products including super & panoramic pages, scented inks, memo sticks, fluorescent inks, translucent wraps and kodak digital heads and so on. They have kept the high quality service to the consumers. With the national distribution, the company is able to service the whole country for every day. The consumers can make full use of the email service to choose the distribution or sales report.

(d) A critical evaluation of the strengths and limitations of the tools and techniques you have used

As for the SWOT analysis, it is able to evaluate the internal capability of the organization. From the different dimensions, it is known Newsprinters has the rich experience of printing and its huge investment on the technology has led it to be the leader in the organization. Its advantages on the national distribution have brought the flexibility and low cost for the organization (Gupta, 2013). But the internal management does not focus on the effect of online media or the Internet, which leads to the direct effect of the online media. People tend to have the online reading instead of the printed media. But it is limited to the evaluation of the potential capability for the organization. In terms of the PEST analysis, it has been benefit to evaluate the external environment for the organization (Möllering, 2002). But it is are dynamic and they change at a very fast pace, which increases the uncertainties for the evaluation. The changing situation asks the analysts to collect many data from the external environment.

(e) The client needs

Regarding with the consumer needs, Isle of Man, STAGE and London Evening standard are the main consumers for Newsprinters. They are having the demands of advanced quality and reliable service, which can be satisfied by Newsprinters. In additions, the innovative marketing activities and advertising of Newsprinters have attracted more and more consumers.

1.4 Summarise Your Key Findings and the Significant Issues that you Would Advise the Company to Address

Newsprinters has enjoyed the high reputation of printing quality and service in the mass producing copies. With the rich experience and the advanced technology investment, they have been the leader in the industry. In additions, they have creative marketing activities, which is benefit to attract the new consumers. But with the development of Internet and digital technology, the main challenge is from the complicate amortization of the machines and the cost for the factory operation. In this case, it is necessary to improve the operation efficiency of the organization and reduce the costs for the complicate amortization of the machines. In additions, facing the tendency of online reading, it is necessary for the organization to adjust the innovative strategies to deal with this challenge.

2. Section 2: Recommendations to the Organisation

It is necessary for Newsprinters to consider the innovation. From the sociological aspect, the audiences have been changed. The youths with no news have risen from 25% to 34% as they now prefer their smart phone, pad and any mobile device to read the news. The publishers and editors are thinking reinvention and innovation. These changes have affected the decision making of Newsprinters. For example, NRC-Next a daily magazine aimed at the young readers and in order to

attract more target consumers, they have connected the digital media with the traditional media. It is aimed at creating the common experience for the readers. At present, the publishers have tried to connect the Internet and the bloggers to the traditional media, in order to deliver the high-quality news to the community service. For Newsprinters, it may be important to save the news printing from the bleeding red ink to keep the positive energy of the printing industry. From the present situation, the change of the media structure and the participant in the multiple media

2.1 Recommendations

From the analysis above, Newsprinters' Continuous Improvement Manager has taken the transformational leadership, which has created the positive environment for the further improvement.

Firstly, the future lies in the technology and media integration, which is an unchangeable factor for Newsprinters. In order to compete with the potential entrants and substitutes like the Internet, blogger news, it is necessary to apply the digital technology and come up with the new business model to gain the income. For Newsprinters, it should increase the digitalization to every step of the print creation and production. From the creation of the consumers to the print delivery, the brand owners should be connected with the production chain. Newsprinters is not only a printing machine but the brand to offer the integration service with the digital technology. The digital print is the important complement to offset. Based on the Internet service, they can develop the digital data and service to offer the digital service instead of only printing services.

Secondly, from the evaluation of Newsprinters' marketing activities, they have processed the marketing via the website, newsletter and the leaflets distribution. According to the report of the Measurement of Marketing Effectiveness, managers are more concerning about the organization of marketing with the expectation to the sustainable profit and furious competition in the industry. At present, most of consumers are using Internet (Bass, & Avolio, 1993). If Newsprinters has a detailed website to offer more convenience like the quote request, services provided, portfolio of work and a price list.

Thirdly, at present, the main consumers of Newsprinters are the local publishers and the newspaper publishers, and most of them have been the wholesales consumers. To some extent, it can consider to expand the consumers to the small local companies like the retailers, fast food restaurants, colleges or the schools. It can sponsor some sports events or the marketing activities to create the stronger public identity.

3.   Section 3: Implementation

As for Newsprinters, in order to implement the recommendations and support the changes in the strategic direction, there are three main supports from the organization including the innovation management, marketing and brand management.

3.1 Leadership Styles

Burns (1999) has come up with the transactional leadership and the transformational leadership. The transactional leaders will focus on the right resource exchange and they will offer the certain incentives to the followers to exchange the things they want. The encouragement is based on the performance management so the leaders will focus on the present system and act in self-interest. In contrast, the transformational leader has been a leader with the shared vision, intellectual stimulates encouragement and offers the great individual supports to the followers. From Judge and Piccolo (2004), they have defined the transformational leadership as the ones who offer the short-term goal and focus on the internal demands. It has led to the common identification of the followers. From the study of Elenkov, Judge and Wright (2005), the transformational leadership in various amounts and intensities can be identified by the same manager.

In this case, Group Continuous Improvement Manager for Newsprinters, George Donaldson has highlighted the teamwork in the improvement for the organization. When the organization gains the huge investment, it is necessary to attract the team to process the change. Based on the integrated

teamwork, organisation, standardisation, and engagement are necessary in this process. Inspirational motivation and intellectual stimulation can be used to encourage the advanced staffs to take part in the continuous improvement projects for the organization. They can come from the various departments in Newsprinters from the consumer service, marketing, production and the publication. In this process, the leaders can encourage the teammates to conduct the digitalization in their own department with the action plan. It is necessary for the managers to set up the expectation for the teammates, including improving the innovation capabilities of the organization and ensuring the further development for the organization. In this process, the staffs in the project can also have chances to conduct the new changes in the organization, which can bring certain advantages to their career development. The team will show how the digitalization can change the internal efficiency including reducing the waste and improving the source consumption. In additions, the expansion of the consumer group can bring extra benefits for the organization.

3.2 Communicating the Vision to the Key Stakeholders

The main vision of the improvement is to add the positive energy to the organization and improve the competitiveness of Newsprinters. For the organization, the mains stakeholders include the shareholders, employees, consumers and the main suppliers. For the shareholders, it should focus on the income and the profit rate analysis of the change (Judge, & Piccolo, 2004). The vision of the improvement is aimed at increasing the competitiveness of the organization to gain more profit in the future. The innovation of the digitalization is necessary for the organizational development. The digital management will help reduce the operation cost for the organization.

As For the employees, inspirational motivational leader communicates the optimism about the goals, with the high standards and the meaning for the tasks. To some extent, the employees can be benefit for the improvement conduction and reduce the unnecessary and repeated work. It can offer more chances for the employees to learn some new skills.

For the consumers, the vision of the improvement is to offer the better service and products to the consumers. In the changing environment, Newsprinters has worked closely with the growing customer to satisfy their further demands on the printing. The consumers can enjoy the reliable service from Newsprinters. They can not only order from the website but also contact the company via the mobile media and social media to ensure the outcome of printing.

For the suppliers and the distributors, in terms of the improvement, it is benefit to enhance the operation rate and reduce the mistakes in this process. They have doorstep delivery service distributing to over 20,000 different homes every week around the capital. To apply the digital management can bring the high efficiency of delivery and expand the distribution places in the whole country.

3.3 Leadership Strategy and the Impact on Organisational Direction

A leader can guide the people in various ways, which are known as the leadership style and strategy. The transactional and transformational leadership styles are the typical leadership styles for the leadership strategy. In this case, the transformational leadership will be applied for the organization in order to encourage the better participation from the employees. To some extent, Newsprinters will focus on the innovation and application of digital technology in the organization. From the production, the digital printing will be added to reduce the effect on the environment. They will help expand the consumers to the small local companies. The transformational leadership has led to the better customer service of the organization. Newsprinters will offer the personalized distribution and operation service, in order to reduce the operation cost and improve the distribution efficiency. The organization can connect retailing service directly to form the integral service network for the consumers. The transformational leaders can use the advanced system to manage the distribution, operation and the consumer service. Organisation, standardisation, and engagement are important for the further development of the transformational leadership. The transformational leadership has been positive in encouraging the employees based on the inspirational motivation and intellectual

stimulation. In this process, it can gain more staffs to be involved in the conduction of the improvement.

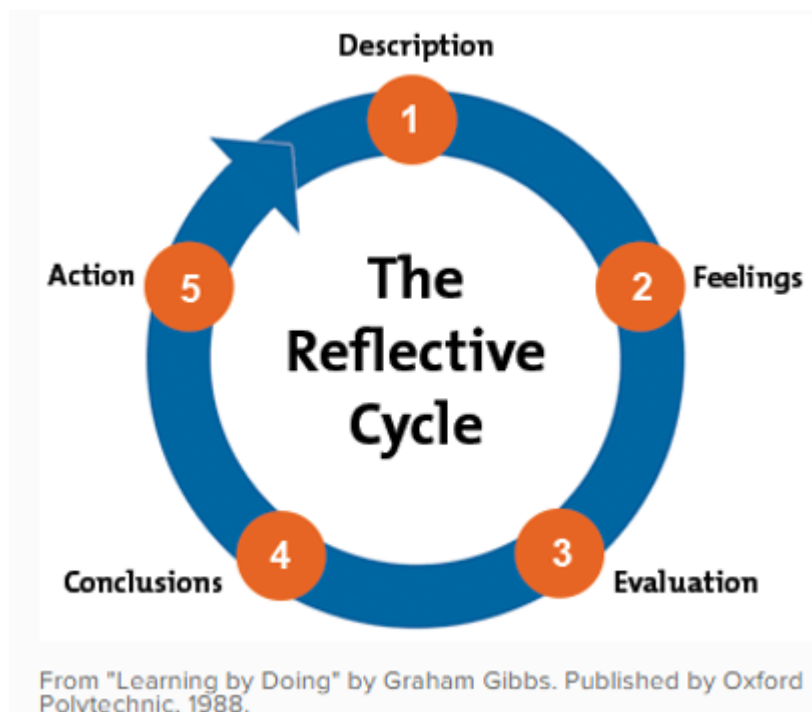## 4. Section 4: Critical Reflection

Figure 1. Gibbs's Reflective Cycle

Gibbs' reflective Cycle has been consisted of the five main steps including description, feelings, evaluation, conclusions and action. During the study of the transformational leadership in Newsprinters, the leaders have focused on the innovation improvement and the continuous development for the organization. They have taken the transformational leadership style with the inspirational motivation and intellectual stimulation. It is benefit for the stakeholders with the possible vision and the inspirational motivation can encourage the staffs to move on. To some extent, it has encouraged my personal interest in this case. For the traditional industry, it is necessary to have the determination and the strategy guidance, especially under the effect of the internet. I will concern about the conduction of the improvement for the organization because it has involved the various departments. For the various sections in the organization, it is hard to gain everyone to be involved in the organization. From the perspective of evaluation, the project team has picked up some talents from various departments to conduct the improvement, which is benefit for reducing the barriers and improving the cooperation. It is positive to gain the talents encouraged by the project vision but there are still some barriers in operating the changes in various departments. In this case, the communication of leaders is necessary. They can communicate the vision to various stakeholders in a clear way and gain their support for the further development of the project. In conclusion, the various stakeholders have the different expectations on the project and the leaders are playing the important role to balance the various profits in the project. In my future development, I will try to identify the various profits of the stakeholders and take the suitable leadership strategy to reduce the barrier and improve the operation efficiency. In the future learning field, I will focus on the effect and application of the various leadership styles. They can be benefit for my personal capabilities including the communication, listening and the practice of the management.

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