

The hr model of cadbury schweppes management essay



Cadbury Schweppes, a world renowned company, is a global leading company famous for their confectionery products. With such great power in the market, it is inevitable that Cadbury Schweppes relies heavily on its workforce to manufacture products reaching the expectations of the customers. It is recorded that Cadbury Schweppes has total employees exceeding 50 thousand worldwide. It is said that HR is the backbone of any organization. Thus, Cadbury Schweppes practices effective strategic human resource management (SHRM) to oversee their employees aligned with their current company's objective to deliver superior shareholder performance.

This essay will access the Cadbury's approach in its human resource management using the best fit and resource based view models. Section 3 will evaluate the effectiveness and the impact of Cadbury's change in the human resource management. Section 4 will discuss the HR functions and the importance of HR functions towards Cadbury as well as any other organizations.

Cadbury HR Model

According to the Strategic Management of Human Resources, 2007, there are three SHRM models; best practice view, best fit view and resource based approach. Best practice view suggests that organization adopts effective strategies from the achievements of other organizations. Whereas, best fit view adapts strategies prior to the environmental changes and the business strategies coherent to the current business objectives. Resource based approach focuses on the maximization of the organizations' tangible and

intangible resources resulting to a growth in organizations' core competencies.

When Cadbury first begins, Cadbury practices resource based approach in managing its employees. The utilization of this strategy is seen in Cadbury adopting the Quaker tradition whereby Christian values and employees' welfare are prioritized. Evidently, Cadbury also focuses on providing employees benefit ranging from housing to advanced factory conditions and welfare rights.

In 1977, Cadbury had implemented a programme known as Managing for Value. This programme aims to increase employees' understanding towards the organization objective to become a result focused organization. The implementation of the 3A's standard; accountable, adaptable and aggressive, strives to create awareness in the employees towards the organization's goals and to motivate employees to work towards achieving such goals. As a step to reinforce Cadbury's strategy, the Sharesave scheme, 1974, had proved its purpose. By implementing these strategies, Cadbury has added value and a sense of belonging towards the employees.

The drastic evolution towards Cadbury occurs during their acquisition of Trebor Bassett and Adams in 2003. As the business grew to an international level, Cadbury has slowly adopts the best fit view model. Realizing the organizations' cultures were different, Cadbury implemented a Working Better Together framework in order to resolve conflicts and creating unity in its diverse workforce. Never the less, Cadbury recognized that employees' performance still plays a huge role in organization sustenance. Thus, as part

of the resource based approach the Growing Our People programme was introduced. This programme aims to unlock employees to their full potential for maximizing organization's resources.

It is inevitable that conflict may arise in such a huge workforce. The dissatisfaction of employees comes from the unfair treatment between the high and low performance employees. In resolving to this matter, using the best fit view, Cadbury implemented the Passion for People programme which aimed to provide fair treatment towards the employees. This action proves to be essential during that stage as fair treatment can motivate employees to perform at their fullest. Moreover, the quick action of Cadbury realizing the dissatisfaction through a global climate survey had brought contentment towards the employees.

Cadbury's human resource management has proven to be effective as their actions had gained employees satisfactions as well as the organization's objectives had been achieved. It is evident that there is no accurate model that fits any organization. By adopting best fit view along to the initial resource based approach, Cadbury has executed unique and effective changes that had affected the employees' performance in every situation that had arises. Never the less, in this ever evolving market, Cadbury is required to implement changes overtime towards their human resource management consistent to the market trends and global market changes.

Cadbury Changes

SHRM has always been an evolving element in an organization. The ever evolving market patent had force SHRM to change in accordance to the <https://assignbuster.com/the-hr-model-of-cadbury-schweppes-management-essay/>

market trends. Jan Tucker classified change into three types; developmental, transitional, and transformation change. Developmental change suggests the improvement of the current organizations' processes. Transitional change occurs when organization changes their processes into something new. Transformation change happens when the whole organizations undergo major restructuring as a whole.

Inescapably, Cadbury also practices change in their SHRM in order to create an effective environment for the employees to achieve organization's objective. Over the 70 years of history, Cadbury had two transformational changes and implemented 5 SHRM strategies to manage this change. The first change happens when the organization changes their organization's objectives from a Quaker tradition organization to a result focused approach. The second change occurs during the acquisition of Trebor Bassett and Adams (2003). Both of these changes ties in with the current Cadbury's goals to deliver superior shareholder performance.

Bob Stack as HR Director

Bob Stack was appointed as the board of director in 1996. Bob Stack sits as the HR director overseeing the human resource management of Cadbury. Such a step is relevant as Bob Stack can work as a communication link between the employees and the board of directors. Ronald R. Sims says, "Historically, HR was seen as an organization cost and expense." This means that organizations will put less effort in HR actions. However, with Bob Stack in the board of director, he will make sure that the necessary is done to

improve the employees as well as provide comfortable working environment for the employees.

<http://books.google.com.my/books?id=B7JZ3D7WU80C&pg=PA40&dq=hr+as+an+expense+to+organization&client=firefox-a&cd=8#v=onepage&q=&f=false>

<http://www.investis.com/cadburyschweppes/reports/anr2006/pso/bod.html#5>

Managing for Value Programme (1977)

As Cadbury change their objectives from being a Quaker tradition organization to profit oriented organization, Cadbury has implemented a programme called Managing for Value. This programme is intended to raise understanding to employees towards the new objective. As a whole new culture is being develop, Cadbury started the 3 A's standard; accountable, adaptable and aggressive. This standard sort to increase awareness and performance of the employees in regards to their new policy so that the employees will adapt to the change. As another element to motivate its employees, Cadbury implemented the Sharesave scheme where employees can become a part of Cadbury's family through purchasing of shares. This scheme not only adds a sense of belonging towards its employees but also provide a special benefit to the employees. As the result, the employees had accepted the profit driven approach of Cadbury.

It is an essential step at that time as a normal individual perception towards change is to avoid it. Cadbury's effort to induce a sense of belonging had

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gained employees' satisfaction prior to its goal of profit. As a step to identify the effectiveness of its plans, Cadbury had conducted a global climate survey with the result of 90 percent of employees understood the organization priorities and are privilege to become a part of it. This proves that Cadbury had managed this change effectively.

Working better Together

An extreme change had occurred in Cadbury in 2003 where Cadbury acquired Trebor Bassett and Adams in a short space of time. This event has caused a major impact towards the workforce of Cadbury. In bringing two businesses as one, a diverse workforce in relation to two different cultures was created. One of Cadbury's way to solve the conflict was to shift the organization to a more decentralized way. This served the purpose to ease collaboration between five regions of workforce and to create unity among the diverse workforce. Thus, Working Better Together framework was implemented. This programme opts to resolve conflicts and collaborate between two different cultures of people to create unity.

The change occurred brought major reorganizing in Cadbury. Cadbury solve their problem through a joint problem solving approach that seeks to create better adaptability towards its employees. In this transitional period, Cadbury effective approach has brought its organization to raise to the occasion countering any problems that had arises.

Growing Our People Programme

In conjunction to the acquisition, Cadbury had sought to unlock the potentials of the employees. Hence, Growing Our People programme was implemented. This programme conducted in a three days workshop focuses to develop the inner strength of the employees. This occurred as Cadbury realize that its employees had collaborated in the working environment. Thus, maximizing the employees' performance opts to be the next steps towards reaching the organization goals.

Passion for People Programme

One of the major impacts towards the change was the rise of dissatisfaction among employees. Another global climate survey was conducted showing the result that employees were dissatisfied with the treatment between the high and poor performance employees. The employees felt that people with high performance should have better rewards compared to poor performance. Thus, in order to resolve this conflict, Cadbury implemented a programme known as Passion for People.

Cadbury steps in managing change were effective in reliance to the organization's objectives. This is proven as Cadbury had the capability to employ more than 50 thousand employees reaching the result of being the world's top 50 confectionery markets.

Cadbury HR Functions

_____ suggest five human resource functions which a human resource department plays in an organization. There are recruitment and selection, training and development, compensation and benefit, employees' relation

and industrial relation, and employees' health and safety. It is unavoidable that all organizations are required to utilize the HR functions in order to gain employees satisfactions. Similarly, Cadbury also uses these functions in their business strategies.

Recruitment and selection occurs during the hiring of employees. In all organization, recruitment and selection plays a vital role as it determines the amount and the criteria of people being hired. This allows organization to select the best of the best among the interviewees suited for the job descriptions. However, if the recruitment and selection is not done accurate, it may result to an inefficient job performance. Thus, it is vital for organization to select the right person to do the right job. Similarly, Cadbury hires Bob Stack as the HR director. This is because Bob Stack has the background in HR and can help the organization to oversee the employees' needs. Thus, Cadbury can work towards a result focused attitude while protecting the employees' rights. In addition, as Cadbury changed their objective to become a result focused organization, recruitment and selection is done by employing individuals with the result focus criteria. More over, Mike Tyson was also appointed as the board of director as he has the leadership skills and aggressive behavior that Cadbury sought.

Training and development are required when organizations would want to improve their employees. Training and development can be done through seminars and counseling which allows employees to understand their full potential and unlock them for self improvement and the benefit of the organizations. However, as people come from different culture and

background, training and development needs to be customized to fit the <https://assignbuster.com/the-hr-model-of-cadbury-schweppes-management-essay/>

respective employee. In addition, training and development cannot stand alone and needs to come along with rewards and benefits. Rewards and benefits will motivate the employees to attend and achieve maximum outcome. Cadbury offers programme called Growing Our People as a method to unlock its employees' potential and to motivate them for better performance. On the other hand, Cadbury had implemented the Managing for Value programme. This programme is implemented because Cadbury desired its employees to understand the objectives of Cadbury to become a profit driven organization.

Compensation and benefit provides fundamental needs to the employees such as annual leaves, medical care and maternity leaves. This department makes sure that employees get what they deserve as a method to motivate them for better improvement. The Sharehave scheme operated in 1974 seeks to provide benefit to the employees. This scheme allows employees to purchase shares in a five year plan by investing GDP 25 monthly. While this scheme was initial planned to raise understanding of employees towards organization goals, it indirect provides employees with another saving method that has better returns.

Employees' relation and industrial relation protects the rights of the employees against unfair treatment. Employees' relation is appointed parties such as Union that oversees employees' dissatisfaction against any particular issues that are related to the individual. Industrial relation protects employees against any harm that may occur due to the carelessness of the employer during operation hours. In example, the staircase lights were not switched on during working hours and had caused injuries to a particular
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employee, the employee will seek help from the industrial relation. Cadbury conducted a climate survey showing dissatisfaction among employees about unfair treatment. As a step to counter employees' dissatisfaction, Cadbury implemented a programme known as Passion for People.

Employees' health and safety refers to the employees' welfare during working hours. This department makes sure that the working environment fulfills the safety and regulation standard. Thus, organization will need to make sure that proper attire is worn by the employees during operating hours. It is said that HR is the backbone of any organizations and in any organization, change is an unpreventable process. However, people mindset tends to avoid change rather than to adapt to it. Thus, HR plays the role to motivate employees to accept changes. Through training and development, HR can grow individual to the new culture enabling the utilization of the new procedures.

Conclusion

Cadbury had been an astonished organization. It is recorded that Cadbury is the 8th ranked in the world's most admired companies in the consumer food products industry. Undeniably, Cadbury people management has proven to be effective by collaborating between the employees' needs and the organization objectives. However, human resource management is an ever evolving process and there are no methods that will last. New SHRM techniques should be implemented following the generation trends and market needs thus, ensuring that employees are satisfied in ages to come.

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