

The nature of organizational change



Klaus Kleinfeld started his career with the Siemens Company as the group's sales and marketing manager and moved up the ladder to the corporate planning and strategy department. He established the Siemens Management Consulting group (SMC) which he developed to be a full profit centre but has since moved to be the Chief Executive officer (CEO) of Siemens.

Goals, vision and implementation

The goals of the Chief Executive officer of Siemens are to see that all the business units of his organization meet their targets as they have been set. For example, he aims to see the transportation system make profit margins of over 5%. He hopes to build a switching system and engines for trains and aims at selling water purification systems , power plants, build steel mills in Russia , build a cement processing plant and in Pakistan they hope to put up a desalination plant. He wants to see that he boost his sales revenue through acquisitions as he did in the acquisition of Australian Engineering and CTI molecular firm who have assisted in acquiring of CT and MRI systems that assist in diagnosing of diseases. He has since underpinned all underperforming businesses such as the telecommunication business and made the companies structure simpler. When most people thought that he would put the underperforming business under a joint venture, he went ahead to sell the poor selling handset business unit to Taiwan BenQ Corp.

Leadership style and how he performs his function;

The Chief Executive officer (CEO) is a transformational kind of leader who intends to change the culture of the organization and has led the organization to become one of the leading companies in the world. Since he took over the company, he has been able to push over the 400, 000 employees to make decisions that are quick and to focus more on customers

as they do in technology. Most of those who have worked with him say that he is very easy to work with. According to Jack Bergen, he describes him as a good communicator and a person who is able to build consensus. Therefore, he is a team player, a person who is able to consult widely and a go getter (Edersheim and Drucker 117).

Culture change

The company has eleven main entities that operate distinct and separate entities with their own board members and therefore communicating any change for the Chief Executive officer (CEO) is a big problem. He faced a very huge task of trying to change the mind set of his senior managers and employees so that they could keep up with the changes that were taking place in the global economy and technology. He also faced a lot of resistance from those who perceived him to be too demanding and the fact that he is very quick to dismiss those that he perceives to be very incompetent.

Instead of people appreciating his good work, most of his employees just protested about his leadership style. Another reform has been the challenge to see that all the employees at the company speak English so that they meet the demands of many clients as possible. Therefore, to overcome culture clashes, it is important that effective modes of communication are employed.

Local Human Resource legislation

A key pillar of Siemens human resource strategy has been the way they manage, control and motivate their employees. They have fully engaged all their employees by setting targets at individual, team and business levels so that everyone becomes part of management. They also ensure that they provide support to all the employees so that everyone achieves their full

potential (Edersheim and Drucker 117).

Feasibility of aggressive change

Although aggressive change can meet with a lot of resistance, any leader must be very consistent with what one undertakes to do. Due to his aggressive nature, in 2006 Klaus Kleinfeld was able to move the sales of Siemens by over 16% and saw the profit margins go up with over 35%. The company has since been applauded for its reengineering efforts together with innovation. He has managed to put Siemens as the world's largest provider of infrastructure in power plants, airports and medical institutions (Inglehart and Wetzels 471).

Conclusion

While initiating any changes, it is important that they should be communicated to all the employees why changes are taking place. There is a need to explain to everybody why it is important for the change to occur and encourage feedback from every employee. Finally, implement changes gradually and systematically to avoid much resistance.

Work Cited

Cox, James United States of America Today 2008. Website accessed on April 27 2009.

Edersheim, Elizabeth, Haas and Drucker, Peter, Ferdinand . The definitive Drucker

United States of America: McGraw-Hill Professional, 2007.

Ewing, Jack. Siemens Culture Clash. January 29, 2007. Website accessed on April 27 2009.

Inglehart, Ronald and Wetzels, Christian. Modernization, Cultural Change, and Democracy:

<https://assignbuster.com/the-nature-of-organizational-change/>

The Human Development Sequence. Cambridge: Cambridge University Press, 2005.