

Management case essay sample

[Finance](#), [Market](#)



1. What are the advantages and disadvantages of having an informal workplace? What are the advantages and disadvantages of having a formal work place?

When the company has an informal workplace, this company may have a low degree of centralization. The centralization of authority is the location of most authority at the upper levels of the organization. In other word, if the company has low degree of centralization, it is decentralization, which is the location of a significant amount of authority in the lower levels of the organization. There are many advantages of decentralization. When the workplace in the company is informal, it develops employee capabilities throughout the company and leads to faster decision making and more satisfied customers and employees. Company with high degree of decentralization comes out better numbers of assets, return on investment, return on equity and return on sales than the company with low degree of decentralization. But on the other side, decentralization also has disadvantages. As it mentioned in the article, an informal workplace atmosphere may lead to the misunderstanding of the customers. What's more, the less authority of the upper levels of the organization may increase the difficulty of making decision and leading employee for the managers.

For the formal workplace, the company has formal workplace may have a high degree of centralization. Wearing the suits is an example of standardization. Standardization is solving problems by consistently applying the same rules, procedures, and processes. When a company's workplace is formal, this will make the company looks more professional and reliable. And with standardization, the process of the working will be easier to follow.

While the disadvantages are also clear, the high degree of centralization would cause the difficulty in communication between upper levels and lower levels. This slows down the step the company develops itself. 2. As the manager of this firm, would you institute a formal dress code?

As we can see, the centralization and decentralization both have their advantages and disadvantages. So what the company should do is combining these two methods in different parts of the business. As the manager of this firm, I would prefer my employees wear a formal dress code. Because the image of the company should be professional and reliable, the formal dress code would help the company to build this positive impression on the customers' mind. What's more, the formal dress can bring a serious working atmosphere on the business. The atmosphere will influence the employee's working mentality a lot. And instituting a formal dress code doesn't mean the work place is an absolutely formal. The company can take a series of measures to make employee feel free to talk to the upper levels managers. 1. The text describes a number of different approaches concerning organizational structure. Which do you think would be ideal for GM's success in China? Which of the structures would help GM expand to other foreign markets? Traditionally, organizational structures have been based on some form of departmentalization. Departmentalization is the subdividing work and workers into separate organizational units responsible for completing particular tasks.

There are five kinds of departmentalization. Functional departmentalization is organizing work and workers into separate units responsible for particular

business functions or areas of expertise. Product departmentalization is organizing work and workers into separate units responsible for producing particular products or services. Customer departmentalization is organizing work and workers into separate units responsible for particular kinds of customers. This may be one of the structure that GM China use, because China has a large popularity, through the selling number during these years we can see there's a huge number of cars selling in China, so there must be different types of car designed for different kinds of customers. So using the customer departmentalization is a good choice for the developing of GM in China. Geographic departmentalization is organizing work and workers into separate units responsible for doing business in particular geographic areas. This may also be an idea that GM used in China. This kind of structure can help company respond to the demands of different markets. So although GM has a decreased trend in the USA's market, it succeeds in Chinese market.

So using the geographic departmentalization can expand the market space of the company and gain success in different market. And the geographic departmentalization should be used by GM to expand to other foreign country. Although it's hard to cross-department coordination, the GM Company has the experience in Chinese market; it will use the experience in developing other foreign country's market. 2. What are the advantages and disadvantages of promoting decentralization in GM's operations in China? The decentralization is the location of a significant amount of authority in the lower levels of the organization. In general the decentralization can develop employee capabilities throughout the company and leads to faster decision

making and more satisfied customers and employees. So company with decentralization may be more successful.

As the GM in China, it can keep increasing while the USA market is decreasing. So the decentralization can make the company more strong because it consists of many different market and organization. Only if all of the different organizations break up, the company will never disappear. But on the other hand, the decentralization would also make the different market and organizations isolate with each other, when one market is decreasing, it's hard for other market to help it, and when one market succeed, it's also hard to share the success to the other market. So the whole company may be strong but every single organization is weak in its market.