

Ajax minerals and perriers change manage essay sample

[Business](#), [Organization](#)



Change is a *modus operandi* which requires comprehensive, strategic preparation. It is an adverse event which leads to a state of uncertainty and apprehension. Organizational presence has an accompanying nascence that creates resistance to any change that has the capacity to impact the working conditions. The reasons of the failure in Change Management process are variable. The gap between the planned strategy and misapplication this strategy, the lack of the necessary tools to bridge that gap and the use of unpractical or complex change management models are some of the reasons of the unsuccessful change process. However, the most-ascendant failure comes from the resistance of the employees, and the employee is a powerful force in every workplace. Change is mostly an eldritch entity for employees. If an employee does not know how this change will affect his position in the company, he will feel uncomfortable and insecure that precisely applies to entire employees.

As global change forces organizations to change, many of them are subject to experience those resistance and failures. Ajax Minerals and Perrier are two companies that have experienced severe failures (Palmer et. al. 2009, pg180). This assignment aims to underline how complexity emerges during a planned change initiative and how paradox affects the transformative process of Ajax Mineral and Perrier. The study compares and discusses how management diagnosed and approached change at the two companies and investigates which company dealt with resistance to change in a more effective manner. The assignment also aims to propose strategies for adjustments in order to improve the effectiveness of the change strategy.

Please refer to the attached appendix in order to review detailed information about the incidents that Ajax Minerals and Perrier were faced.

One of the most ubiquitous reasons of employee resistance is the unexplained change process which brings uncertainty and fear. Obscurity creates serious confrontation and drives the change process to ineffective consequences in many organizations. Before discussing the change management mistakes and the severe resistance that Ajax Minerals and Perrier experienced, it is important to examine the factors that create the negative impact on change process. Those troublesome factors are gap and resistance. (1) The Gap: There are various possible gaps that occur during the change processes The gap between the strategic vision and erroneous implementations. The disparity between the change management model and the tools that are used.

The rupture between the management and the employees that is created by poor communication (Warrilow, n. d.). (2) Resistance: There are certain factors that induce resistance The natural repercussions of obscurity as built-in characteristics of organizational cultures. The lack of communication, information and education are three amplifiers for natural tendency of resistance. The lack of methodologies for change process implementation that provide smooth transformation and address the conflicts (Warrilow, n. d.). Effective, well-planned communication strategies eliminate employees' fear of change and prevent or ease the resistance to change that might emerge. In order to constitute positive change environment, it is crucial to remove those gaps and prevent the resistance with the correct strategies. It

is essential to assure that all the enigmatic issues are addressed pre-emptively.

Some sources of resistance to change in the Ajax Minerals exercise And how the organization dealt with each resistance. The discomfort and uncertainty that occurs due to the lack of communication are remarkable sources of resistance. Almost ninety-nine percent of the change processes cause resistance which has a strong impact on the working conditions and employee behaviors. Change drives employees to a state of skepticism and fear. Ajax minerals' two affective sources of resistance are discomfort and uncertainty (Palmer et al. 2009, pg180). These two facts already existed even before implementing new changes, and there was a grueling relationship between staff and management; it worsened during the change and turned to disaster later on. The reason of this negative relationship was the lack of communication. One of the most-significant resistances came from the junior management of the company.

The threatening business situation which they had been recently experiencing was perceived by the leaders and the top managers of the company (Palmer et al. 2009). The executives tried to take immediate action in order to maintain the company's previous well-balanced position in the industry. However, the junior levels of management including supervisors and regular hourly workers were unacquainted with the present situation which was affecting the company egregiously (Palmer et al. 2009, pg180). The employees were only interested in the daily operations. Their workflow and the unacceptable behaviors they were able to get away with including

considerable overtime. The workers were ignoring the change because they were averting the uncertainty and unwanted situations (Palmer et al. 2009, pg180). The strategy makers figured out that they should be cautious before introducing new changes. The staff always expected a malicious and suspicious stance would be presented, and it would reveal itself under unpleasant outcomes such as reduced salaries or job layoffs (Palmer et al. 2009, pg180).

These circumstances deepened the abyss between the senior management and the lower management who has great sway on the staff (Palmer et al. 2009, pg180). The top management focused on two strategies in order to ameliorate this rivaling relationship between the management and staff. They established interactive sessions and made participation mandatory of both manager and supervisors. During these sessions, they told the stories about the companies who faced similar situations and suffered. These collaborative and communicative sessions brought supervisors and management together into discussion and deliberation. Another implementation that they used was “ open-book” tactic (Palmer et al. 2009, pg180). The management provided employees access to data including detailed information on financial performance. This approach eased the discomfort of the relationship between management and labor while creating a sense of cooperation, ownership and confidence.

With the change process, management built a sense of respect towards the current structure of senior management in the organization. Some tensions and enmity between the management and workers, which were formed due

to the past initiatives, were still potent, and whenever a new plan was projected, the full extent of the state of tension came into the view (Palmer et al. 2009, pg180). Some sources of resistance to change in the Perrier case study And how the organization dealt with each resistance. Due to the lack of disunity, reformative communication and as a consequence and drastic measures that top management deployed, the relationship between management and workers became a hostile issue. Palmer et al. (2009) phrased the reasons of the resistance as follows: the lack of conviction that changed is needed, the natural essence of disliking the change, belief that timing was wrong (pg. 183). The causes of resistance can be lined up as shown below: 1. Collapse of sales could lead to fear of job loss.

2. The company planned to cut 15% of their workers, and it solidified this fear. 3. Placement of competitor's Badoit Rouge bottles in the employee cafeteria was perceived as a minacious message as a counterattack from the management (Lowe, 2013). How to manage the resistance of change is one of the biggest challenges of the responsible party. Perrier has implemented exorbitant amount of changes in a short time. Unfortunately, the majority of the employees ignored the changes, as they thought the change was useless and that the company conducted this change to impact their normal workload. The chaos within the organization ruined the relationship between management and the employees. In addition; the majority of the employees became CGT trade union members which worsened the interrelations. The workers' union was against this change action as well. The employees were always counteracting with stiff opposition to any attempts the company

made to recuperate its dwindling financial performance. Peter Brabeck-Letmathe Nestle C. E. O attributed the actions of CGT as directed towards ensuring that Perrier remained underdeveloped (Palmer et al. 2009, pg183).

The company also planned to push for early retirement for some of its workers at the Vergeze plant. It was on the back of an initiative that would force all employees to increase tier productivity by threefold. The union also resisted a new project that would see many workers go for early retirement, and it challenged this move in court. This situation was later withdrawn after intervention from the French Minister of Economy Nicholas Sarkozy (LA Times, 1990). The Swiss firm Nestle that owned Perrier warned of selling off the company in an effort to force the trade union to come to a compromise and stop its opposition to the redundancy plan (LA Times, 1990). Comparing and contrasting how management diagnosed and approached change at the two companies and which company dealt with resistance to change in a more effective manner. In every organization, the change initiators are key decision makers (Brookins, n. d.). It is their job to put across the details to the entire team and nail down all ambiguities and complaints. It is essential to assure that all the enigmatic issues are addressed pre-emptively.

If the change rumor spreads through the echelons from up to down, every little component of the process will be swerved, details will be skewed; the fact will end up as a totally different story loaded with inaccurate, second-hand information (Brookins, n. d.). Lack of effective communication always leads to resistance to change and correspondingly painful change process that brings failure. The two case studies discoursed above are examples of

the practices used by the management in order to deal with employee dissatisfaction. In reference to Ajax minerals, they established a consultative process that involved carrying out interactive meetings with the supervisors. The company had resolved the employee's antagonist approach by honoring the employee by letting them become involved in the discussions for the new initiatives before they were implemented (Palmer et al. 2009, pg180). However, Perrier took a different approach that was based on a firm-stand and a hard-lined position that dealt with the trade union CGT and the workers themselves (Palmer et al. 2009, pg183).

The company was faced with numerous losses due to an the inauspicious contamination issue, liability loss, and staying away from the market for five months; so as to improve its financial performance, the company manifested a redundancy policy (Palmer et al. 2009, pg183). The settled new initiatives were mandatory early retirement and massive layoffs. It is asserted in the Textbook of Palmer et al. (2009) that when Nestle took over the company in 1992 they stipulated the reduction of the workforce by a third fold and only kept 1600 workers over a period of 14 years (Palmer et al. 2009, pg183). Ajax Minerals change strategy was innovative and effective in delivering appropriate results. As a result of the comparison, only Ajax minerals overcame the resistance to change by its workers in an effective manner. The prosperity of the organization depends on its labor force and their commitment towards improving productivity and performance (Palmer et al. 2009, pg180). Ajax realized this and was concerned in listening to the demands of the staff by using " open book" policy.

The move helped regain employee confidence, enriched working standards and enhanced re-constructive, positive staff-management relations which meant that all members of staff performed their obligations effectively to improve the company's performance (Palmer et al. 2009, pg180). Some adjustments that should be made to improve Ajax Mineral's change strategy And why those adjustments would improve the effectiveness of the strategy. As stated above, Ajax minerals change strategy was inventive and subservient in delivering appropriate results. However, the move entailed compromise on the management side and gave too much power and opportunity to the workforce, which would instill overconfidence in the employees and subsequent insubordination to company policy (Palmer et al. 2009, pg180). According to Palmer et al. (2009), the best way to overcome these difficulties is to use a situational approach (pg., 172). Managers needed to use the best-suited approach to managing those difficulties.

Palmer et al.(2009) lined up the six situational methods as follows: education and communication(1), participation and involvement (2), facilitation and support(3), negotiation and agreement(4), manipulation and cooptation(5), explicit and implicit coercion(6) (Palmer et. al, 2009 pg. 172). If Ajax's change management approach is reviewed and scrutinized according to the six situational methods of managing the change resistance that suggested above, Ajax used five of them: Education and communication: They conducted informative meetings, Participation and Involvement: They used "open-book" policy, Facilitation and Support: They facilitated and supported the employee, Negotiation and Agreement: They calibrated the relationship,

and acted negotiable, Manipulation and Cooptation: The management also used trace amount of manipulation and cooptation (Palmer et. al, 2009 pg. 172). An employee can be a powerful weapon for an organization. In order to use this power as a benefit, a company must generate good employee relations. Ajax supervisors manipulated the employee negatively. The company should introduce performance appraisal initiatives while replacing the supervisors.

Performance appraisal should also involve evaluating the work of each employee to certain set goals and objectives. Those who end up attaining their required results will receive a salary increment (Palmer et. al, 2009 pg. 180). However, workers who do not meet their expected objectives will be demoted and sacked. This plan would create competition and reduce any form of staff unity that caused the initial resistance to change. The supervisors instigated and influenced the workers to resist new policies (Palmer et. al, 2009 pg. 180). As such a policy should be introduced that would involve the hiring of new supervisors that have no links to the current staff. Employees would perform their duties effectively without persistent lobbying and convincing from general staff. Some adjustments that should be made to improve Perrier's change strategy and Why those adjustments would increase the effectiveness of the strategy. Perrier either knew or should have known about the coming tribulation months and months ago because the employee relations were worsening gradually. The change process could be transmuted into a collaborative transformation rather than threatening the employee and generating belligerent environment.

When Perrier's change management mistakes are scrutinized and evaluated through Palmer's situational approach, it is clear why all those chaotic situations occurred. Perrier managers acted totally contrariwise. Education and communication: No communication. Perrier's top administrators never provided informative meetings. Participation and Involvement: There was no involvement and participation, Facilitation and Support: They never facilitated and supported the employee, conversely the management ignored employee, Negotiation and Agreement: They never accept the employee as a collocutor, and negotiated only with union administrators, Manipulation and Cooptation: There was strong opponent manipulation that comes from the employees and the workers' union against the management; whereat the management reacted adversely, and these stances took the company to the worse situation. Explicit and implicit coercion: Perrier preferred to take asperous maneuvers that worsened the enmity. As seen above, the management did not educate the employees, nor did they involve themselves or participate with them in any form. Instead of providing facilitation and support to their employees and communicating with them to eliminate their insecure feelings and fear.

Perrier took a rather harsh policy in dealing with change that only worsened worker-management relations (Palmer et al. 2009, pg183). The suggested policy necessitates two adjustments: consultation and openness.

Consultative meetings with members of CGT would have helped in reducing the conflict between them. The management could have also used the sessions to explain the benefits that would be realized in the implementation

of new policies (LA Times, 1990). Openness with the workers would require the company to share sensitive information concerning its financial performance and would ensure that the staff realized the reasons for the changes which may have caused them to work harder so as to improve the firm's productivity. Conclusion One of the most troublesome, mind-bending and insuperable problems that business executives face is employee resistance to change. Resistance may occur in different forms including persistent resistance to productivity, which results in the reduction of output, increased the number of complaints, bad-tempered altercations, hostility, strikes, and of course, the expression of pointless reasons why the change will not work (Lawrence, 1996). As it is seen in the business world, numbers of the well-known, supermassive organizations are juddering and cannot avoid change resistance. They fail to use a well-structured process with proven methods and cannot create enthusiastic change environment.

This failure results in chaotic situations and loss of control. The first step for managing resistance is to preclude the resistance in the first place and implement an effective change management strategy that meticulously planned and mapped stage by stage. The two aforementioned companies experienced negativities due to their erroneous management practices. Instead of reinforcing the mysterious change features, if they had spread clear, continual and consistent messages to their employees prior to the change inception, the results would have been different. Analyzing, foreseeing and identifying the opposing points, choosing the most-reasonable tactics for restraining the furor of the employees and eliminating

the chaotic facts would be the right approach. Conducting broad-based meetings, face to face explanations and discussion of the goals and the projected strategies, how the current situation would affect employees' job situation, and how management can help employees to ease the disadvantages or unwanted outcomes of the change process would work to eliminate their fear.

Management could use tactics to eliminate the fear of change by offering status gain, extra incentives recognition, job outplacement etc. Ajax minerals established interactive and informative sessions with the participation of both manager and supervisors, and it worked miraculously. Management allowed employees to be part of the team in the course of critical decision-making, which helped them "buy-into" the change process. In actuality, management exaggerated this "ownership" tactic and gave too much power to the employee. Perrier never approached amenably to the employees. Upper management always created gaps and controversy. Listening to the staff openly and accepting objectively what they were saying, trying to look at the conditions and evaluate from their point of view would definitely be resistance eliminative solutions that always work well. Qua ratio summa: Here are the essential steps that will be a "direct hit" and "wipeout" the change resistance: Trying to complete the change process by using a structured process with proven methods, Creating a harmonious work environment,

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