

# Organizational change – kodak essay sample

[Business](#), [Customers](#)



Organizational change is a complex process is likely to receive resistance from some; however, when management delivers the positives, resistance is bound to fade. Some salient aspects of organizational change are management will focus on the customers to gain their confidence, focus will on be on the employees to gain their trust, and a relationship will broaden with the suppliers. This paper will describe the organizational change Kodak experienced as a means to maintain success and in this digital driven and diverse economy.

George Eastman's wish was to make " photography as convenient as the pencil" and began by creating the first handheld camera which could take pictures with a push of a button in 1889 (Kodak, 2008). He built the company's success with his own ingenuity and his advertising campaign where he coined the slogan, " you press the button, we do the rest." (Kodak, 2008, para. 28) Since then Eastman and the Kodak brand have been creating film products which enhance both consumer and professional photographers, and Kodak is changing from the traditional company of film and photography and developing into the new " cool" digital company.

The recent changes for Kodak were in their traditional supply chain and introduced their demand-driven model, which proved successful in 2008 (Hickey, 2007). With the CEO and Chairman, Perez stating, " We now have in place our core product portfolio, organizational structure, and leadership team that will take us through the second part of our transformation." (Hickey, 2007, para. 7) Kodak looked at the best practices at Toyota to develop this demand-driven supply chain and with this they created a better approach where they linked customer service and customer segmentation

<https://assignbuster.com/organizational-change-kodak-essay-sample/>

with demand policies instead of sales or forecasting on the demand side. This new plan helped eliminate waste by making the goal to reduce inventory and costs (Hickey, 2007).

Management enlisted the assistance of members from every key department: supply chain, manufacturing, purchasing, and logistics, and they were brought together to oversee the just-in-time technology program and their input was priceless, especially as everyone worked hard until the new program was implemented (Hickey, 2007). The new system has allowed Kodak to know immediately when products are short, and instead of products being stacked in warehouses, now products are only sent when necessary or they are “cross-docked” based on final destination before being sent to the trucks for delivery (Kodak, 2008).

Kodak in 2005 hired Eric Holder, ex-US Attorney General, to head the Diversity and Inclusion Department, and he formed an external Diversity Council which determined ways in which Kodak would best transform from a traditional to a transformed organization (Kodak, 2008). The Diversity Council, suggested they devise strategic initiatives to improve their brand image and focus on “global diversity, leadership involvement in diversity recruiting, retention, and education initiatives.” (Cole, 2006, para. 12) Following through, the company started building supplier relationships with at least 10% women and minority businesses by 2006 (Kodak, 2008).

As part of the supplier diversity program, Kodak supports initiatives to minority, women, and other diverse groups, and promotes competitive procurement of these contracts. Employees in this department oversee this

process and comply with state, federal, and local laws, and any other regulations, when needed. Kodak is driven to meet the goals of small businesses and utilization management is necessary to meet the aggressive goals set by the SBA or suppliers (Kodak, 2008). Diversity training is provided to all employees and Kodak also provides employees with other Employer Training programs matched to the employee's needs.

Kodak attracts and uses diverse suppliers for their internet supplier relationships and this reduces costs. Kodak initiates e-sourcing bidding for the Kodak World Wide Purchasing Department, which holds online bidding for suppliers (McMaster. ca, 2005). From this Kodak formulates a list of approved suppliers in the diverse population of the internet's reach. Their employees are expected to use only those suppliers which have been approved, which maintains order, keeps the costs low, and continues a friendly relationship with suppliers over the long haul. These employees are provided training in diversity, but also must learn how to analyze bids, product analysis, product and quality management principles, and delivery and cycle time processes are just some of the training processes, the management and employees must receive. Any person using an unauthorized supplier is penalized, and the manager must know what each employee does, as such, the manager must be well versed in e-sourcing and other sourcing aspects, in order to help the employees, customers, and other stakeholders.

Kodak needed continuous improvement measures to aid their company with their transformation and to cut costs, and once the initiatives were

introduced, they restructured the company and warehouses were closed. The company then focused on trustworthy, reliable, and “ responsible growth” as part of their global initiatives (Kodak, 2008).. They rolled out two programs to aid the stakeholders, both internal and external. The first initiatives were FAST and the BOOYAH Certificate program, which aid in improving employee and customer relations, and provided an environment in which to foster pride (Buzzoodle, 2007). The first program called FAST, stands for Focus, Accountability, Simplicity, and Trust. With this initiative, the employees treat both the internal and external stakeholders as if they are all customers. This was done to create more profit and better relationships with the external stakeholders, and is an ambassadorship program where employees treat everyone the same, even other employees, they believed the company would fare better, even on a global scale (Buzzoodle, 2007).

When operating in a diverse community, this demonstrates how not one person should be considered and treated differently, as they are all treated the same, top-rated - as a customer. Another initiative used incentive, to improve morale. This was BOOYAH Recognition Certificates, and was a new initiative in the “ new and cool” Kodak, which gave recognition to individuals for an exceptional job performance, devotion, or accomplishment (Buzzoodle, 2007). The BOOYAH Certificates are given out because the company believed many times management forgets to acknowledge what an employee has accomplished, someone might have had a wonderful achievement, or a person needed to be thanked and this was a manner in which management could attempt to show appreciation in a very friendly

and optimistic way (Buzzoodle, 2007) The certificates are given based on merit, not on any other standard.

Kodak in managing their ongoing improvement processes attempted to reduce costs by adhering to Lean manufacturing practices (Kodak, 2008). In their attempts to adapt these initiatives, Kodak created clear policies which ensured their employees were empowered, engaged and were educated in order to fulfill the requirements of the customers. They also created relationships with both the suppliers and customers and promoted Quality Teams which met and determined the needs of the company toward meeting the quality needs in reference to the suppliers, customers, employees, and any other stakeholders in relation to the company (nist. gov, 2008). The company reduced flaws through their ISO processes, in order to improve customer relationships, any complaints about problems would be placed in a call system, where associates had accessibility, and customers would receive follow-up contact within shorter periods of time (Kodak, 2008).

Using Antenna Software, the salespeople were able to retrieve their messages and return calls to the customers within a shorter time frame. This new CRM policy enhanced the once flagging sales department, and enhanced the sales divisions' ability to perform their jobs, as they use their PDAs or laptops computers to retrieve messages (Antenna Software, 2008). In improving their relationships with the customers, Kodak received high rankings in Customer Satisfaction on their surveys. The sales team, who are better helped with the new software, also find they are feeling better about meeting the objectives of the customer (Kodak, 2008).

As another key initiative in addressing the environment Kodak should ensure the world left behind is protected not far worse than when they came. In this vein, as part of their initiatives, Kodak phased out divisions, Kodak also focused on cutting emissions and a sustained drive campaign – “Responsible Growth” (Kodak, 2006). In accomplishing this, their employees had to work with the government agencies to create laws to protect the community where the employees lived, work, and loved (Kodak, 2006). They also had to train the employees on responsible storage and disposal practices, when done properly, this reduces costs, and promotes employees to do the same when they were away from the plant (Kodak, 2006). If this was done in all Kodak communities, they would also be known for greater social responsibility, maintaining employee safety, and having respect for the world (Kodak, 2006). Kodak’s vision was to create measurable impacts in different aspects: health, safety, and environmental products (Kodak, 2006).

Using Total Quality Management, Kodak would use management teams and have employees work around the world in teams. They would all work to improve – health, safety, and environment of customers, employees, and community. In meeting their objective to protect the environment, Kodak created the Society Environment and Economy Initiative, which was to bring forth social change in the environment and society (Kodak, 2006). Kodak created the Health Group initiative which is a business approach which not only tries to see if the stockholder has a will for success, but also to improve “quality of life” for everyone in society. Kodak also initiated the “Climate Leaders Program,” and this challenged Kodak to make a pledge to reduce greenhouse gas emissions. This program aids in maintaining a better

community for the customers, employees, and management to live and work. Kodak vowed to continue with this program, especially since they have already met the program's pledge before the laws were enacted (Kodak, 2006).

When all else fails, success for a company usually comes once, but sometimes a company must transform and change their brand logo, then they paddle upstream to catch up. People are not always sure the company will sustain. Luckily, Kodak's organizational change from traditional film to digital has sustained thus far. Hopefully, the success will remain for families around the globe, especially since the employees are enriched with value-driven initiatives, the supplier relationships enhanced the company, especially as they continue to bring more diverse suppliers into the fold, as Kodak accepts their social responsibility, here and around the globe.

## References

Allerton, Henegan, & O'Neill. (2002). When times get tough, do diversity initiatives keep going? Retrieved January 26, 2008, from [http://www.ahosearch.com/news\\_winter2002.html](http://www.ahosearch.com/news_winter2002.html)

Cole, Y. (2006). Diversity councils: Task forces for change. Retrieved January 26, 2008, from <http://www.diversityinc.com/public/99.cfm>

Hazlett, J. (2007). Employee advocates. Retrieved January 27, 2008, from <http://blog.buzzoodle.com/index.php/category/employee-advocates/>

Hickey, K. (2007, January). Demand-driven logistics: Adjusting focus. *Inbound Logistics*, [http://www.inboundlogistics.com/articles/features/0107\\_feature03.shtml](http://www.inboundlogistics.com/articles/features/0107_feature03.shtml)

Kodak. (2005).



Annual report. Retrieved January 25, 2008, from <http://www.kodak.com/US/en/corp/annualReport06/index.jhtml?pq-path=8992Ko>