

An analysis of the jewelry industry's corporate culture and code of conduct

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Corporate culture in any business or industry refers to the organization's beliefs, values and behavior patterns on the basis of which customers and clients interpret their experiences with the particular organization and react accordingly. Thus cultural statements come into operation when the executives of that organization practice such values, which indicate about how employees go about their jobs. Companies with strong cultural values achieve better results since employees are able to sustain and focus on what to do and how to go about their work in keeping with the values of the organization. According to Charles Handy (1985), who researched on the work of Roger Harrison, there are four types of organizational culture. They are power culture, role culture, task culture and person culture. When the power within the organization is concentrated amongst a few, and there are very few rules and a nonexistent bureaucracy, the power culture is said to exist in the organization. In the role culture, the structure is very well defined and all concerned have specific authorities, often leading to a hierarchal bureaucracy. In a task culture teams work efficiently in solving organizational problems and the organization is characterized on the lines of a matrix structure. When there are several individuals who believe themselves to be in authority to carry out the affairs of the organization, and who in fact succeed in forming groups to pursue and decide in regard to the goals of the organization, a person culture is said to exist, but such a situation often makes it difficult for the organization to survive for long.

In view of the different corporate cultures that exist in different business set ups it is difficult to ascertain as to the type of culture that is best suited for the jewelry industry in view of the varied circumstances faced by the industry in different countries and regions. However since the structure of an organization is an important determinant of the kind of corporate culture that is to be adopted, it is first imperative to decide whether the corporate structure is of a centralized or decentralized nature (Handy 1985). Both

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centralized and decentralized corporate structures have their advantages. More powers are delegated to operational departments in a decentralized format thus enabling companies to speedily adapt to changing market conditions, while with centralized corporate structures, all decisions are centralized at the corporate headquarters, which have resulted in greatly cutting costs due to advantages accruing from economies of scale.

Facts of the case

The world jewelry market is growing quite fast and is increasingly driven and influenced by global fashion trends but since most jewelry customers remain connected to tradition, the right balance has to be struck between old and new trends. Fashion jewelry often integrates aspects of tangible and intangible viewpoints and is dependent on factors such as purpose for which it is required, what kind of material is used, what techniques are use for its manufacture, what are the aesthetics, values and perceptions of the user, and such other unique characteristics of this trade that greatly influences the success of the jewelry company. Hence the jewelry designer cannot proceed

ahead unless he considers all these factors since the jewelry customer is highly discreet and sensitive to his need for the product, which is unlike that of other consumables that may have to be picked off the rack or simply bought due to its brand image and value. Seeking change and the new, is an integral part of the jewelry customer's expectations, and the jeweler cannot ignore the subtle modifications required to satisfy the need of customers in these changing times.

Issues/Problems

The success of the jeweler lies in how well he can balance his strategies, which further depend on the culture that he has established within his company amongst the executives and employees, that determines how they go about their jobs in keeping with the expectations of the customers in the present times of stiff competition and an ever changing market where new products and designs are constantly being introduced. The corporate culture in this industry has to be such that the customer is fully understood, avenues have to be created so that latest designs and technology are adopted, all in the ultimate interest of the customer to fulfill his aspirations in enhancing the good looks and

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in manifesting the personality, attitude and lifestyle of the wearer. The organization must use appropriate business ethics in developing a responsible framework of practices that are in keeping with the core values of the company and by using the best combination of all the four corporate cultures because a single type of culture can not work effectively in view of

diversity of cultures and a varied customer base with different preferences and aspirations (Carmazzi 2007). If organizations can imbibe a code of conduct that a reasonable framework of best practices will be adhered to by all employees, that may include self assessments and a system of third party monitoring, good business practices will eventually set in thus paving the way for the organization's further success.

Alternatives

All over the world in business and industry the ethics of people management covers issues that arise from employer/employee relationship which primarily revolve around the rights and duties between the employee and employer. Issues such as discrimination in the work place based on age, gender, caste, and race have to be addressed by the employer so that there is no grievance and discouraging factors in this regard. The management must deal with employee and trade unions in a way that there is harmony and a sense of well being in the work place. In the jewelry industry major factors and issues to be sorted out by management are the occupational hazards and other health issues that are integral to working in this industry. Honesty, truthfulness and fairness in marketing go a long way in boosting the image of the jeweler, hence employees have to be trained and prepared to satisfy demanding customers who want true value for their money. Employees ought to have more than just information about the jewelry design and weight of the precious metals and stones since a salesman's displayed values and behavior have a strong bearing on the desired results.

Ethical limits have to be drawn on the extent to which they can prevail upon the customer in regard to canvassing for the product.

Decision and Recommendation

In keeping with the ultimate goal of the organization's profitability, awareness has to be spread of understanding ethical issues and matters relating to social and environmental

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circumstances of all stakeholders including trade organizations, government, representatives of society, and other industry participants (Richard J 2007). Standards and processes that are relevant must be improved upon while addressing ethical issues and business objectives of the trade and a framework of responsible practices and role of ethical and culture relationships should be emphasized and promoted amongst all business partners. Moral philosophy relating to teleology, deontology, virtue ethics and relativist perspective has to be made a constant practice amongst executives and staff so as to create an ethical atmosphere that delves into realistic approaches of consumer needs and satisfaction.

Implementation

Since the ultimate success of the organization in the jewelry industry rests with the attitude of workers in performing their duties they need to be sensitive in adopting values, beliefs, goals and norms that are conducive to an atmosphere of creating a corporate culture that is aware of the needs of the customer in this highly fashionable and competitive market where trends

and consumer aspirations are constantly changing. All employees need to share a common set of values that are in keeping with the goals and values of the organization, which go a long way in establishing corporate culture. Since the jewelry industry in most parts of the world is not as much organized as other hi tech industries, and most companies function on the traditional model where decision taking is mostly centralized with the owner, there is need to restructure in keeping with employee aspirations in terms of their well being and rewards programs, which will surely enhance productivity and success of the organization (Cummings 2005). Traditional jewelry establishments must demonstrate leadership that guides and directs the workforce as also enforces organizational rules and policies in a way that workers are always motivated.

Ultimately the management in the jewelry industry is responsible for the conduct of its employees and for all business decisions as also the results that the company gets in terms of sales and profitability. It is also answerable to society for the decisions it takes, and hence they must ensure that correct decisions are taken in the best interest of its employees, which ultimately reflect in the performance of the organization.

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Evaluation

The management must monitor culture and behavior of employees on a regular basis to keep a tab on the direction that the company is going in so as to make necessary changes as and when required. There has to be mutual trust, fairness and a sense of empathy on the part of the

management to ensure that workers are in a motivated state so that all their efforts are directed in the best interests of the organization. All implemented processes must lead to desired outcomes which is possible only with regular evaluation of the levels of openness, participation and communication techniques used in the business relationships. It has to be ensured that all information provided to clients is accurate, and respect and courtesy form a part of the sales process. Since senior managers have great influence in ethical decision making for the organization, they must ensure that while employees interact with each other there is an atmosphere conducive to maintaining cordial relationships in the work culture. Management should understand the employees' hierarchy of needs and accordingly influence their motivation and ethical behavior.

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