

Human resource management assignment

[Business](#), [Management](#)



Analyzable of “ The Case for Change at Modern Appliances” James Bradshaw came to understand employee engagement as a way to ensure ongoing business effectiveness through a series of events. In the article, it states “ Modern Appliances had been In business tort almost 75 years and manufactured a wide range of appliances. With sales In excess of \$2 billion, Modern was considered a quality manufacturer and a good marketer. Further, It states that In recent years, the company began to face competitive pressure as North American companies began to outsource manufacturing to China and Vietnam as well as domestic Chinese manufacturers were learning to compete effectively outside their home markets and were Importing Into Modern’s traditionally strong North American markets.

Additionally, European companies were focusing on styling to tempt people away from traditional North American suppliers and they were luring away segments of the market to whom innovative design was appealing. (Giant, 2007) Modern’s old business model consisted of various layers of cost control. Modern had strict and comprehensive cost controls in place to ensure expenditures were being controlled For example, all supplies were ordered centrally and Modern’s purchasing department consistently negotiated good prices from their suppliers.

With the various measures In place, Bradshaw felt that Modern could defend Itself from new entrants if the workforce was fully engaged in the challenge of creating a truly superior value proposition for its customers and then sustaining the value proposition through everything they did to manufacture

the product and market through tenet trade channels (Giant, 2007)

Globalization put pressure on Modern because of outsourcing and the Importing of appliances Into North American arrest.

Further, the new entrants focused on the style of their products and In turn, Modern began to lose business as customers were being lured away as they found the designs to be innovative and appealing. Modern had become complacent over the years, as they did not have stiff competition and for many years for was market leader in quality appliances. They did not upgrade their designs and there were Issues with costs and quality.

Bradshaw stated, “ Modern employees had simply not been sufficiently engaged In understanding the business, in analyzing how

Modern could do better, or in participating in the development changes to the way that business was done. ” In the article “ Engaging Employees, Another Step in Improving Safety” the author states, “ successful organizations involve employees at all levels In various aspects tone business and value their input To create a dully encompassing corporate culture, employees must be Involved, engaged, and have the opportunity to provide Input on changes to their workplace. (Rained, 2011) Further, In an article titled “ Recasting the Role of the CEO”, Vine Nary, CEO of HOC

Technologies instituted a groundbreaking approach to management. He instituted “ employees first, customers second. ” The “ employees first, customers second” approach to management is that it unleashes the power to those working in what en called the value zone where direct Interaction

with customers actually creates increasing the speed and quality of innovation and decision making. ” (Nary, 2010) Bradshaw stated that over the years there had been a number of initiatives that solicited employee involvement such as quality circles, total quality management, ISO ratification, Kansas and other interventions.

He further stated that some of the initiatives met with success while others did not result in a culture change. Bradshaw labeled the initiatives as “ events” and he stated that after the events were over, the culture at Modern reverted back to the same old way of doing things. Change produces anxiety and uncertainty. Employees lose their sense of security and they prefer the status quo. The above statements describe Roger Allen. Mr.. Allen was the Vice President of Finance. He instituted the many layers and assure in place to ensure that costs were well controlled.

When Bradshaw presented his ideas to his management group, there were other skeptics also, however, the rest of the management team felt that Modern needed a change and supported the ideas of Mr.. Bradshaw. According to the article, Bradshaw had always been impressed with Jack Welch and how he operated General Electric (GE). Even though Mr.. Welch inherited a successful organization, he proceeded to change the culture of GE from a vast bureaucracy to an agile, fast-paced company that was remarkably innovative for its size.

Central to the changes that Welch implemented at GE was the idea of “ Work-out! ” Work-out focused on driving low-valued added bureaucratic work

out of the organization, speeding up the way things were done and creating a culture of change, innovation, self-confidence and engagement among GE employees. (Giant, 2007) Work-out was a multi-year initiative as opposed to an event that took place on a periodic basis. It took commitment, time and money but in the end, it resulted in a permanent culture change at GE.

It engaged GE's employees to the fullest. Bradshaw wanted the same for Modern and proposed Modernization. Modernization was instituted to change Modern's culture from a traditional top-down, management-driven company to one in which every employee felt engaged in finding ways to achieve organizational goals. Bradshaw surmised: "I believe fundamentally, that employees want what management wants, at least most of the time. They want to use their initiative, their ideas about how to do things better.

They want to make products that please the customer, give good service, be appreciated. They hate useless bureaucracy and excessive controls just as management dislike the expense associated with those and the ways in which they slow down the business processes. They also want a clear sense of direction, a goal towards which they can strive. But they also want some input into deciding what these goals should be. Our challenge in management is to liberate these "wants" and turn them into outcomes that benefit both employees and shareholders.

That way they will be sustainable. In September the first Modernization workshop was held. 60 Modern employees from various functions in the company were brought together to "identify obstacles their customers."

Bradshaw asked the employees “ what it was going to take to make Modern the best customer-service oriented company in this country, one that people talk about when you ask them for examples of great customer service companies. What is getting in the way of our being Number 1 and what do we need to change to make it happen? Bradshaw vision of Modern’s future could only be accomplished by changing the traditional top-down management style. Bradshaw believed that by empowering Modern’s employees in the decision-making process, employees would become more engaged and understand their importance to the success of Modern Appliances. Modernization was a success and resulted in many ideas, some good and some bad, that positively changed the culture of Modern Appliances. Resistance to organizational change is a normal reaction. There are a host of resistance factors that inhibit organizational change.

Factors include: * Threat of power – Change that will decrease management level power by transferring power to subordinates; * Misunderstanding the process – When employees not understand the process, they can assume something bad. This lead to appearing resistance to organizational change; * Mistrust to initiators of change- When employees do not have trust to initiators of the process, the process will not be accepted and will affect on appearing resistance; * Different evaluation and perception – Different evaluation and perception can affect the organizational changes if there are persons who consider the proposed changes as a bad idea. Fear of unknown – When employees feel uncertain of a process of transformation, they think that changes are something dangerous. This uncertainty affects

organizational members to resist the reposed change. An employee engagement model developed by Katharine Est., Ph. D. , organizational psychologist and founder of Ibis Consulting Group, Inc. , and Mindy Geekier, Ph. D. , president and founder of Collaborative Networks suggests five success drivers contribute to an organizational culture of engagement.

These include an understanding of employees' role in the organization's success; the existence of two-way feedback between workers and supervisors; trust in the leadership of the organization; the opportunity to contribute to the decision making process; and the existence of career development opportunities. The change at Modern definitely reflected four out of five of the above best practices. One can also surmise that career development opportunities existed at Modern.

Modernization resulted in a successful culture change at Modern Appliances. Bradshaw stated, " Modernization broke new ground in terms of empowering employees to make change. " (Giant, 2007) Previous initiatives were termed as " events" that fell by the wayside after the event was over. Modernization went further by requiring employees to analyze their recommendations and present them to management. To that end, Modernization empowered employees to be engaged/contribute to the success of the organization.