

Report on "managing performance at haier" essay sample

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



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The management of workers and engineers at Haier may be characterized as the management of “ a carrot and a whip.” We may see some similarity between Haier’s management of workers and Taylor’s scientific management in the early days of capitalism in USA. Taylor’s scientific management encountered severe opposition of laborers and labor unions and thus was not so successful. Haier’s management has been well received by workers. Haier’s management has also been well received by product development engineers. It is considered as one of the key success factors of Haier.

Under the old management of socialism there was practically no achievement motivation, innovative capabilities and competitive attitudes of employees from the top to the bottom. The workers and the engineers are now given opportunities to display their motivation, innovative and competitive attitudes and capabilities of such kinds under Haier’s management. Haier’s management is in contrast to the old management of socialism.

Importance of “ face” (to save face or to lose face) and human relationship are often pointed as characteristics of Chinese cultural tradition, management seems to encourage the two characteristics.

The results of the evaluation of workers and engineers are shown with individual names. It seems that workers, engineers or managers of poor

results lose their faces. This practice seems to go along with the Chinese cultural tradition.

The evaluation is determined by some rules. Their superiors and managers in the personnel department can not influence evaluation. There is no room for discretionary evaluation by them. Thus, we may say that the new management contradicts with the cultural tradition of China which emphasizes human relationship. On the other hand the “ 80: 20 Principle” may prove this theory wrong as the managers were supposed to supervise, employ and train employees that would be able to maintain their trust. In other case they would be facing some serious problems (not only financial). Unfortunately it was only a slogan and it did not translate to fines, bonuses, etc.

However not only human resources management changes contributed to the global success of the company. It was a very rapid growth of product diversification and innovation what led to the creation of the niche markets. Furthermore Haier gradually has built its own image of quality products over the years. In order to penetrate even further the international markets Haier has created international technology alliances, built up procurement networks, service and sales facilities over the world.

The management practiced at Haier may be described by such words and phrases as money, rewards, penalties, individuals, competition, openness, quantitative approach, instantaneous evaluation, competitive bidding, arithmetical evaluation rules, anti nepotism. These key words and phrases

are compatible with the cultural tradition of the long history of competition and development of commerce in China.