

# Case study on examination of qantas etoms restructuring

[Business](#), [Company](#)



ETOMS, which is “ the engineering, technical operations and maintenance services division of Qantas,” saw the need after 9/11 and the SARS epidemic to dramatically restructure its organization and the way it worked. In this paper, we will examine ETOMS before and after its restructuring, the effectiveness of said restructuring, and how it applies to the company’s goals and strategy.

ETOMS as it existed before the restructuring was in dire need of change. It operated in a traditional and restrictive work environment with a hierarchical organizational structure. The management approaches were paternalistic and autocratic, concentrating on control and preventing productive communication and nurturing relationships between workers and management. Problems were solved with an “ if it ain’t broke, don’t fix it” mentality, and the lack of understanding on the part of management toward the workforce led to many union conflicts. The shopfloor was given a minimum of responsibility towards their work procedures, leading to a distrust of management in general.

All of this resulted in a company structure that did not get problems solved, and who were constantly unprepared for emergencies. Particularly with the new volatilities and dangers that were present in their environment, they did not have the structure to implement change in an effective way. Fortunately, officials realized this and started efforts to restructure the company’s culture.

The key component to their restructuring was the use of a Strategy Map, a board game-like device that helped to visualize the past problems of the

company and solve current problems in order to facilitate future cooperation. With a storytelling-based format, workers of all levels could comprehend the Map on the same level, and it allowed for much more honest and clear communication of issues. The primary goal of the Strategy Map was to create a participative work environment that fostered cooperation between all levels of the workforce. The structure became more market-sensitive and open to suggestions.

Now that the Strategy Map was open to all departments, even shopfloor workers could take ownership of their work, creating new strategies that could be presented in a more direct way to management. This allowed them to open up lines of communication without interference or ignorance from managers, creating a better rapport between them and satisfying everyone at once. With this new strategy, the company could much more effectively deal with changes and new policy changes.

In terms of ETOM's goal and strategy, this restructuring came in extremely handy. An organization has to be able to foster continuous improvement and emphasize everyone's unique skills to do that. Also, employees have to become educated in multiple skills, as well as the workings of the company as a whole, if they are to be most helpful. The Strategy Map combines all of these collaborative elements into a single, overarching vision that every employee can be a part of. This supports and enables the corporate culture, and teaches quality management principles to the current heads of department.

Max Weber's theory of Bureaucracy rests primarily on the concept of a

rational-legal authority. The way ETOMS operated before this restructuring was more autocratic and did not listen to the needs and demands of its shopfloor workers. However, with the implementation of these new strategies, including the Strategy Map, greater accountability can be levied against these higher officials, forcing them to act in a more rational and democratic manner.

It is imagined that the restructuring was extremely effective in cleaning up many of the structural problems inherent in ETOMS' previous culture. They clearly recognized their largest problem by focusing the Strategy Map with the senior executives first; the biggest changes have to come from the top, and this forced them to be a part of the process instead of having it be something to foist upon the lower-hierarchy workers. Egalitarian, participatory relations are encouraged with this Strategy Map, as the hierarchies are broken down further and the departments are made more transparent to each other. Each division had fewer barriers to work against when communicating, making the productivity process even more effective. ETOMS' corporate transformation created a means by which to challenge established behavior and create avenues for change via the Strategy Map. It helped break down barriers of potentially taboo subjects such as incompetent worker behavior and unnecessary conflicts between workers and management.

ETOMS exercised two major routes of change: charismatic transformations and turnarounds, both of which foster quick, decisive action for emergencies and implementing great change quickly. The process started out as a simple

attempt at operational improvement, but it set the stage for more widely-ranged changes on a permanent basis, provided they can keep up that same momentum through all stages of this restructuring.