Organisations and behaviour case study example

Business, Company

Do you think Jill Thompson's proposal to decentralize the rules and procedures of Bosco Plastics will work?

I would not agree with certainty that the proposal by Thompson to decentralize the rules and procedures at Bosco Plastics would work because this could lead to other problems; but I would agree that it is the most logical and appropriate means of correcting the problems mentioned in the case. The existing rules may prove appropriate for some departments within the organisation. However, some of the rules may not suite some other departments, specifically manufacturing and other functions, especially those that require collaborative efforts of multiple individuals scheduled business hours to ensure that a complete team participates throughout a work shift. Operating under excessively flexible working hours could result into inconsistencies in staffing. In fact, Bosco supervisors have openly expressed their concern over the issue. On the other hand, conceptual operations do not rely much on teamwork, but regular sharing of work produced mainly by individuals working independently. Research and development department does not require scheduled business hours as this restricts their capacity to innovate.

Decentralization would also remove barriers created by the company's hierarchy that makes it hard for researchers to make their innovative ideas get some attention and put into production (Case Study 1). Researchers at Boscos believe that before implementing the new rules, they had the empowerment that enabled them to consider their unique capabilities, such as efficiency and initiative, rather than accomplishing their responsibilities and roles. Empowerment is a new management model that replaces

authority with ownership (Daft, 2009).

Centralizing rules and procedures at Boscos would remove the problem of anarchy, which had resulted to high turnover rate. Additionally, supervisors believed that the new rules prevented them from accomplishing their full duties including firing incompetent workers following end-year evaluations. The best way to make decentralization effective is by ensuring clear assignment of functions, adherence employee priorities, informed decision making, and accountability. However, the application of these principles has proven technical. In many occasions, employee circumstances differ, which makes it essential to make rules and procedures specific to job functions and requirements.

What kinds of rules and procedures do you think the department managers will come up with? Which departments will be more formalised? Why?

The research and development department would make rules and procedures giving senior researchers more freedom in undertaking innovative initiatives. Some of the changes would include increasing lunch break for managers and introducing lunch break for all employees. Another change would include harmonizing hours for reporting to work and leaving. This could enable supervisors assign and monitor operations more efficiently. The department managers can also change reporting policies from reporting annual reporting to the human resource to twice in a year. Department managers could also get the powers to fire incompetent employees without the need to wait and make annual recommendations to the human resource department.

The department that will be more formalized is human resource department.

This is because this department performs regular functions such as hiring, employee appraisal, and designing job specifications. However, research and development department requires more flexible rules and procedures to create a suitable environment for developing innovative ideas. Manufacturing and other functions should be more formalized because they require standard procedures and collaborative efforts.

What risks will the company face if it establishes different procedures for different areas?

The type of organisation structure chosen by an organisation has an overall impact on employee relationships, business relationships, and customer service. Organic organisation structure advocates for a flat organisation model that limits the amount of hierarchy. It also encourages changes that employees can implement on their own. While allowing a company to establish different procedures for different departments encourages democracy and enhances employee morale within the workplace, it has its demerits that require attention. Even though flexibility is a positive factor, it is also negative as it brings instability and uncertainty. Employee may not be sure about their specific roles and personal responsibilities, which may cause confusion and lead to failure to accomplish some tasks (Kachaner, George, & Bloch, 2012). Additionally, communication problems might arise if not firmly controlled. Allowing department such as R&D may improve overall employee demand but it can also lead to laxity in accomplishing tasks as each individual has the freedom to control his time. Some changes such as allowing supervisors to make decision regarding firing of incompetent employees may result into problems because of misuse of powers.

How would you describe the organisation culture at Greenscape?

There exist four most common and identifiable types of organisational culture. These include entrepreneurial, market, clan, and bureaucratic cultures. Entrepreneurial culture characterizes an organisation with a purpose of differentiation through innovation in order to gain a competitive edge. It requires extensive research and development, and the culture requires risk-taking and values new ideas. An example of entrepreneurial organisation is Apple. Market culture on the other hand refers to organisation with clear financial and sales goals, with focus on customer satisfaction. Organisation culture is demanding and competitive and success measured by market penetration and share. Clan culture aims at internal focus and efficiency. It encourages participation of employees and values its employees, and takes care of its employees just like a clan. Empowers employees through horizontal structures and creates strong sense of identity. Lastly, bureaucratic culture promotes a stable environment, characterized with many hierarchical control structures. Such organisations have many processes and rule that guide their operations.

The type of culture that operates at Greenscape is clan culture. The company encourages internal participation and prides itself by taking exceptional care of its employees. Lita Ong knows when Martina had been up all night with the baby (Keyton, 2010). In addition, she keeps track of the birthdays of every employee including those of her children. Greenscape also values employee empowerment, which it has Ong has through establishing a horizontal structure and creating a strong sense of identity among its her employees.

There is no single definition for culture. However, formal definitions of culture focus upon customs or norms, ideologies, shared beliefs or values, which characterize an organisation. Majority tends to focus on a variety of phenomena and as a result, each one tends to adopt a slightly different perspective resulting into lack of a universally accepted definition. The most widely accepted definition define organisation culture as a pattern of basic assumptions discovered, invented, or developed by a given group (Griffin, Texas, & University, 2009). Based on the case study, we can describe the organisation culture at Greenscape as a humanistic organisation.

How large can such a company get before it needs to change its culture and structure?

Organisation can decide to change its culture and structure whenever it feels necessary to do so. However, very large companies require different structures and cultures to ensure continued growth and efficiency. Greenscape started as a small company with twenty-full time employees working in groups of six to eight people (Case Study 2). This allowed Ong manage the company as a family, keeping track of birthdays for all his employees and their close relatives. As the company grows in size, the number of employees also increases, which demands for change in organisational culture and structure. With many employees in place, Ong will need to develop new rules and procedures to maintain order within the company. Ong is currently aware of all the problems of her employees owing to small number of employees. With a large number of employees, she will need to rely on the help of supervisors to help in accomplishing some duties.

Focusing on building and sustaining an organisational culture and structure is the best way of showing that an organisation considers its people as the most valuable asset. However, changing organisational structures and culture is required to ensure better efficiency of a firm. Organisations which have instituted organisational structure and culture experiences a positive change in employee engagement, boosting their revenues, attraction of new customers, and efficiency in rules and procedures. Effective culture change results into greater employee retention, reduction in operation costs, and customer satisfaction.

Challenges that Greescape can experience as it changes its culture and structure include cost-to-benefits ratio, internal resistance, change might not equal progress, or even choosing the wrong solution. The current employees might resist the coming changes due to the fears of the unknown. The best way to overcome this is through effective, honest, complete, and timely communication.

References:

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