

John mackey, whole foods market essay sample

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1. What role, if any, does McGregor's Theory Y play at Whole Foods? Explain. According to Kreitner and Kinicki (2013) McGregor contrasted two views on human nature by insisting that Theory Y assumes that people are more positive at work, and believed managers could accomplish more by viewing employees as such (p. 9). The other outdated theory, is Theory X, which is a more negative and pessimistic assumption about workers. Given the statements from John Mackey, it is his vision to create a positive working environment and Theory Y plays somewhat of a role at Whole Foods.

Although Whole Foods wants to grow into this company in which its managers only hire good, well trained people who flourish in the workplace, however; " research on employee engagement, McGregors Theory Y is still a distant vision in the workplace" (Kreitner and Kinicki 2013). There is a difference between an engaged employee and a happy employee. Happy deals more with the satisfaction and contentment on the job. Kreitner and Kinicki (2013) say that engaged employees work with passion and feel a profound connection to their company (p. 9). Employees basically value what it takes for a company to be successful, and are willing to do what it takes to help the business get there and stay there. To be truly engaged Whole Foods needs to keep its employees engaged and not just " feeling" heroic or happy.

2. How does Whole Foods build human and social capital?

Human capital is important for any business, because humans need to be productive and knowledgeable to be successful. John Mackey says he hires happy employees, encourages employees to flourish, and ensures that they are well trained. He is not only creating a conscious culture, but he envisions a culture of engagement through leadership. Some ways that they can

increase human capital is by implementing advancements opportunities, opening better communication channels, recognition awards, and training programs. Aon Hewitt, a global leader in human development resource solutions (2012) states that, “ organizations that utilize employees views, provide the opportunities feedback and communication they desire; and pave the way for improved business performance”. (p. 22) Social capital is also important, and Kreitner and Kinicki (2013) say that its productive potential results from strong relationships, goodwill, trust and cooperative effort (p. 15). Social capital can help the company to thrive, and Whole Foods, searches for the highest quality, least processed, most flavorful and natural in organic foods possible. They believe that this organic food in its purest state is the best tasting and most nutritious food there is. Whole Foods hires passionate people who are about healthy foods and a healthy planet.

They are a self-directed team and create a respectful workplace where people are treated fairly and are highly motivated to succeed (Whole Foods Market, 2013). To stay successful, and to continue to build human and social capital, Whole Foods and other businesses need to employ highly skilled managers to deal effectively with its employees. The skills tables in our text, on page 17, are ingredients for success that can create positive lasting relations with managers and employees alike. Organizations need to effectively train their managers to constantly practice these skills. This training can be in the form of monthly or quarterly meetings to address any potential problems that may occur. 3. How does this case bring the profile of the 21st-century manager (Table 1-3) to life? Explain. John Mackey is indeed

a 21st century manager and he insists that Whole Foods managers follow his conscious capitalism beliefs. As stated in our Organizational Behavior text on page 18 and 19, states that the contingency approach is important to use, because it does not rely on one “ best” management method for handling problems and issues and uses ones situational awareness (Kreitner and Kinicki 2013). There could be different situations that call for a different approach or management technique.

Through conscious leadership, as Mackey suggests, managers at Whole Foods become aware of their knowledge and skills, and are able to be flexible in approaching various problems at the organization. Given the 21st century table in our text we can clearly see the differences of today’s managers in comparison with yesterday’s management styles. The 21st century manager is a more positive approach to dealing effectively with employees. In the past when the capitalist society and its capitalist factories and organizations were flourishing, the employees were pushed to their limits. Unions were subsequently formed to deter any potential wrongdoings and unfair labor practices. Today there are some unions, but are they necessary? Whole Foods Markets attempts to discourage employees from forming unions. Susan Mohammad notes that Mackey once compared unions to herpes, saying “ once you have them, you can never get rid of them,”(Canadian Business 2009 p. 63). Mackey believes this because at Whole Foods they have implemented programs and pay scales that are already ideal for its employees. Whole Foods also has very strategic plans to promote its organic food lines.

The 21st century manager is still about the profits. And some might say that even though Mackey and Whole Foods are good at managing people they are still about conscious capitalism and profits for its stakeholders.

Companies need to realize that although they are trying to boost the profit margin, they still have to have some sort of positive relations with its employees. Whole Foods does that, or says they do it anyway. Are they doing this just as a marketing ploy or do they genuinely believe in its employees? 4. Where would you locate Whole Foods on Carroll's global corporate social responsibility pyramid in Figure 1-3? Explain. Whole Foods assists their global neighbors through the Whole Planet Foundations micro lending operations. They also support local food banks, sponsor neighborhood events and donate to local non-profit groups around each and every one of their stores. (Whole Foods Markets 2013). In some ways Whole Foods have followed this corporate social responsibility (CSR) pyramid. In some ways they have not. Whole Foods and other organizations need to be aware of some consequences of not following CSR.

Whole Foods says they are following this, and their profits are growing, but at what cost? Again are they genuine in their beliefs? They are heroic in their purpose to provide the world with quality foods, but are not meeting some expectations of current providers of their goods. As Whole Foods grows, it believes it has to buy out the competition. Teresa Albano writes that " they have bought out many independent food co-ops and its competitors" (Peoples World 2010). They are in essence building a monopoly. For them it is good but for the consumer it is not. Whole Foods will be able to control the costs of the organic goods; like it or not that is the price we pay. Is this good

CSR? It does not sound very promising. Whole Foods is doing a great job boosting its profits but is not a good corporate citizen and not very ethical, in a few of its approaches. They do not want to “burn any bridges”, so to speak. Companies should use CSR to ensure that they are not just interested in profits and that they may be interested in “going green” or implementing a volunteer program for employees. Employees can donate time, resources or money to a worthy cause. This helps show that its employees care. Some programs may take away from potential profits but CSR is important for public relations and studies have shown that CSR helps to boost profits in the long run (Robins, 2011) 5. Which of the seven moral principles in Table 1-4 appear to be in force at Whole Foods? Explain.

It is important to have some moral and ethical standards to be successful. After all people have to work together. Without ethics and morals there probably not be a very good working environment. There would be a lot of miserable employees that would not be very productive and not envision a goal oriented business. Whole Foods seems to treat its employees fair in some respects, and they pride themselves on social consciousness. However, as stated above, Mackey does not appreciate unions in the organization. According to Jennifer Chatman, a professor of management at the University of California at Berkeley: “The chain prides itself as a unionless utopia where employees are team members empowered to solve problems. Because it’s a progressive company, it views unions as a sign the company isn’t providing employees with all that they need.

If you look beyond the immediate financial implications, there’s a real identity issue here” (NATHANS, 2003). The company however remains <https://assignbuster.com/john-mackey-whole-foods-market-essay-sample/>

successful and profitable, because Whole Foods is providing quality foods to its consumers. Most consumers probably do not care about the treatment of its employees as long as they can get the consumer goods. 6. What appeals to you (or does not appeal to you) about working at Whole Foods? To be happy within an organization is important and satisfying. The good benefits and opportunities that Whole Foods offers to its employees are a good reason to want to work there. I truly believe that a happy employee is a productive employee. But are they really happy? Perhaps this is just a marketing scheme to gain consumer confidence. I do not think that I would want to work for corporate America.

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