

# Organizational behaviour and strategy for happy gift song company



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Background Information:

Happy Song Gift company is a seven year old start-up organization located in Vancouver, BC offering a gift giving & singing courier service. Annual revenue is \$1 million per year, employing three full-time staff, which includes the Owner, an Online Processing/Accounting Clerk and a Receptionist, as well as employing a total of sixteen part-time employees, which include one packer, seven couriers, and eight singing couriers. The singing portion of their offerings account for half of their revenue with no other business competitors at the moment. Business hours are Monday to Saturday 9:00AM-6:00PM, with Saturday offering delivery services only. The office culture has always been very casual and the atmosphere has not improved over time. The overall performance of all staff is noted as high. Couriers work is unstructured, as long as deliveries are made on time and customers are satisfied.

Part-time contract employees work a minimum of four hours daily and are paid \$2.00 above minimum wage and extra hours are only available during peak times. The company offers pre-written songs, but also encourages couriers to creatively write new songs of their own that can be added to their offerings. In regards to employee engagement, each week the office hosts a paid meeting which is typically well-attended and couriers do interact with office staff during the pick-up of packages. It is noted that most interactions are friendly in nature with the occasional disagreement. The owner is known to support all employees, never first assuming a customer complaint would be due to a staff member, for example, traffic or road closures would first be considered before assuming a courier was at fault.

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Current Challenges:

The company is faced with numerous challenges, both internally and externally. Internal challenges include cost, high turnover, recruitment and continuous on-boarding. There is a real lack of team cohesion. Since weekly meetings are not mandatory, it is unlikely the entire team is ever altogether in one place. The company owner acts as manager for all staff members in addition to running the business. The owner's time would be better spent focusing efforts on growing the business and generating sales. There does not appear to be any real leadership, direction or feedback loop for couriers. For example, the company does not hold employees accountable for late deliveries or address any late deliveries with the couriers after the fact. The owner may be experiencing the halo effect (The Economist, 2009). The main complaints from customers is late package arrivals. It is clear that their timeline expectations are off and do not factor in additional traffic conditions and possible road closures.

The company faces external competition for regular courier services against larger organizations who benefit from economies of scale. They also experience competition with attracting and retaining staff against larger organizations. Larger competitors are able to offer better pay, more hours, and benefits. When conducting exit interviews, it has been found that the most common reason for couriers leaving is a result of higher pay. Overall, the company appears to operate as a group as opposed to a team. Each individual is responsible for their own deliveries and tasks. There does not seem to be a mutual goal for the team or organization as a whole.

Organization's Needs:

Happy Gift Song Company has had a measure of success in its 7 years as shown by its yearly growing revenue. However, to continue this growth, the company does exhibit several needs which is evidenced by the high attrition rate. One need is in the area of a coherent, strategic direction for the company. There is little evidence of strategic organizational goals. There is no clear organizational structure to coordinate day-to-day work. We do not see a strong sense of coordination nor any streamlining of delivery services. This results in the couriers not making the most productive use of their time at work. There is a need for the development of a strong unified team that will show loyalty and commitment to the company and contribute to its continued growth and success.

An analysis of the jobs is required leading to appropriate training, development and career planning. Constructive feedback is needed for each employee based on job performance and customer input. A review of pay, hours of work and incentive plans is necessary to identify a possible reward system for strong performance. The employees need to be engaged and motivated to perform. There is a need for human resource planning which will consider onboarding needs and possible distributed leadership. Recruitment efforts need to be led by company management as they would know the strategic needs best and the traits required in new recruits.

Recommendation #1: Develop a mission statement for the organization.

Successful companies develop strategic plans containing organizational goals that help them make sound business decisions. The Happy Gift Song  
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Company needs a mission statement which outlines its business vision. A mission statement outlines “ the purpose, long-term objectives and activities the organization will pursue and course for the future” (Schwind, Uggerslev, Wagar, Fassina and Bulmash, 2016, p. 7). The mission statement must be purposeful and show what this company stands for. “ A strong mission statement can make you attractive to potential employees...” (Siff, 2013). Thus, this can help the company with its attrition issues. The mission statement will lead to the development of organizational goals such as lowering attrition. From there, the company will need policies and procedures to help guide employee work practices so that production is maximized. Wolfe (2019) notes that, “ as a small business owner, if your talent pool is small, then putting our intentions on paper is useful when it comes to running your business. Simply by putting your thoughts on paper will create clarity.” A mission statement, organizational goals and clarified work procedures will be productive. One organizational goal developing from the mission has to involve the coordination of day to day work so that streamlining occurs and couriers are always productive. As employees commit to the company mission over time, loyalty is developed and a culture focused on company and individual success emerges.

Recommendation #2: Create job designs, performance feedback, rewards and motivation.

Implementing organizational structure positively changes the outcome of an organization’s effectiveness. As such, it is most important to have a good job design. A good job design will motivate employees to improve productivity and profitability. The Owner/Founder of the Happy Gift Song Company would

need to redesign some of the roles within the organization. Our team would recommend hiring someone (or promoting from within) to take on the HR management responsibilities, as opposed to a recruiter. This would eliminate costly recruitment agency fees and decrease turnover. Another role that needs to be redesigned, would be the packer and delivery role. After careful consideration we felt that these positions could be merged into one. Consolidating roles will improve communication between business functions and may provide a more purposeful role.

Equally important, are areas such as performance feedback, rewards and motivation. As outlined in *Organizational Behavior* (2010, Module 4), motivation is the driving force for excellent performance. Current employees seem to lack motivation. Working toward the SMART goals will positively change the culture of the organization and provide much needed motivation. Once measurable goals are outlined, we would introduce informal performance appraisals. This type of appraisal involves giving the employee ongoing feedback as opposed to conducting them annually. The appraisals allows for self development, monitoring of performance and compensation rewards.

Recommendation #3: Develop an HR plan (hiring, on-boarding, scheduling). The company needs to commence with its restructuring activities by first identifying the key team leaders who are anticipated to steer Happy Gift Song Company. While the owner is often the key lead, it appears that operations may have stagnated because of present managerial gaps or understanding of a corporate organizational behavioural structure. She might

consider the innovation and oversight of this restructuring to others, perhaps within the existing team or outsource the program to a competent agency.

Turn-over of field staff is problematic, without a clear mission statement in front of all workers at the intake stage, buy-into the company's goals would remain uncertain. Happy Song HR must first develop a focused corporate direction, then deliver that messaging downwards to both existing and incoming workers and determine if they wish to adopt the philosophy or move on to other employment. This ' attrition' strategy has the secondary benefit of creating surplus hours which would be picked up by others to satisfy their salary basement limits.

Ward (2019) suggests that, " business failure because of poor planning is completely avoidable. Once you know what kind of planning you should do before you start your small business, it's just a matter of educating yourself and getting it done." The education must include the entire operation and take into account the market and competition. From that point, Happy Song will be able to develop a forecast and a vision for its new direction.

Recommendation #4: Focus on team building initiatives.

Team building initiatives is recommended as there are currently no noted team building activity programs in place. Creating fun programs and events which are specifically designed to increase staff motivation and to promote cooperation is highly recommended. Team building teaches people how to work together more effectively, improving communication, organizational effectiveness and contributes to building satisfied employees, resulting in a

lower turnover rate, which is an area currently noted as needing improvement (Nordmeyer, B, 2016).

By creating healthy competition among colleagues to drive performance, organizing staff to spend time together, sharing experiences allowing bonding to happen organically as well as providing activities that draw in leadership lessons will produce positive results towards team building. (Akrani, G, June 22, 2019). A specific example would be a trial of assigning two singing couriers to deliver one package; this would allow bonding to occur enroute and two couriers working together as a team while presenting the deliverable. It has been noted that, “ teams whose members have complementary skills are often more successful” (Organizational Behavior, 2010, Module 5). Considering the different personalities, backgrounds and interests of employees will assist in determining how to best group them, overcoming interpersonal relationships which will enrich the quality of the overall office culture.

### Action Plan for Implementation

Action Item # 1: Develop Mission Statement for the Organization

Our end goal is to create a mission statement that aligns with the organization’s beliefs. The aim will be to keep it simple but not simplistic.

Deliverables	Person(s)	Start Date	Due Date
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## Responsible

Owner will develop a mission statement using an outside facilitator including suggestions for strategic plan

Owner & facilitator	Immediate	3 months after start
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Prioritize organizational goals, including a plan to deal with attrition

Owner & facilitator	Immediate	1 month after mission statement
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Develop company policies and procedures to guide

Owner & facilitator	Immediate	1 month after goals develop
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work

d

practices

Stakeholder

Owner

evaluation

1 year post

implementa Ongoing

tion

Action Item # 2 HR Plans for Hiring and Retention

Employing and retaining candidates with characteristics that are fitting with our mission statement.

Deliverables	Person(s) Responsible	Start Date	Due Date
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Hire or promote from within an individual to take on HR Management responsibility	Owner	Immediate	3 months
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promote

from within

an

individual to

take on HR

Managemen

t

responsibiliti

es

Examine

current

staffing

needs with

regards to Owner & Immediate

part time HR (once HR in Ongoing

and full time Manager place)

roles with

focus on

signing

couriers

Develop job

design, job

descriptions

, expand Owner & 1-2

courier HR Immediate months

duties Manager (once HR in from

(through with input place) start

enrichment/ from teams date

enlargemen

t)

Develop HR Immediate Ongoing

effective in- (once HR in

house

recruitment

and

selection

processes. Manager place)

Using social

media and

in-depth

screening

Develop on-

boarding

and

Immediate

orientation

(once

plan for new

HR

Mission

Ongoing

hires,

Manager

Statement

aligned with

complete)

strategic

plan

Research

Owner &

3rd/4th

Year 2-

and

HR

Quarter

Q1

determine

Manager

Quarter

benefit plan

options and

feasibility

(cost  
sharing  
options,  
plan design  
etc.)

### Action Item # 3: Team Building

Creating a “ we culture” instead of “ them vs  
us” culture. Adopting an inclusive atmosphere.

Mandatory

weekly staff

meeting as

a means of All team Immediate Ongoing  
members

bringing the

staff

together

Allocate a

yearly

budget

Owner &

Renew

dedicated to Accounting Fiscal year

each

team

Clerk

fiscal

building

year

initiatives

Monthly

company

sponsored

events to

brainstorm Owner to

and write provide

songs as a budget. Implement

team; serve Receptionis within three Ongoing-  
Monthly

snacks and t to arrange months

beverages workspace

for a relaxed and snacks.

atmosphere

and free

flow of

creativity.

Quarterly Rotating

staff planning Ongoing

events/team responsibilit 1st quarter -

building ies Quarterly

Develop Owner & 2nd quarter Ongoing

collaborativ Receptionis

e/team- t or

based Accounting

culture (ex-

inviting

common

area/staff

room,

suggestion

Clerk

box,

employee

community

wall, events

calendar)

Action Item # 4: Create performance appraisal and rewards and recognition plan

The company will develop a performance appraisal plan that will clearly define its expectations. It will also serve as a tool to ensure employee contributions are recognized, rewarded and celebrated. Validating their efforts.

Deliverables	Person(s) Responsible	Start Date	Due Date
Develop performance standards	HR Manager to develop	3rd/4th Quarter	Ongoing

and  
appraisal  
processes  
to measure  
employee  
performanc  
e

with  
employees

Seek  
feedback

from  
customers  
as an  
information  
source on  
performanc  
e

HR  
Manager

Align  
cadence  
with  
performanc  
e appraisals

Ongoing

Create a  
rewards &  
recognition  
plan for long  
term  
employees

HR  
Manager &  
Owner

4th Quarter Ongoing

Company-  
wide

HR  
Manager &

4th Quarter Ongoing



incentives  
for hitting  
goals/target  
s

Example:

hitting  
delivery           Owner  
targets/cust  
omer  
success/com  
pany growth  
goals

Create

recognition

for

individuals

that have

gone above   Team           Immediate   Ongoing

and beyond

(great job

cards, thank

you cards)

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