

Example of case
study on question2.
how did the
managers contribute
to the situat...

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



Introduction and background

The following case study addresses human resources-related issues in Honda Motorcycles and Scooters India Ltd, which required significant efforts from the management to cope with. Uniqueness of the case study lies in seriousness of the issues under study and their significant implications on the activities of the enterprise.

Question1. Key factors that led to the breakdown of the industrial relations at Honda. Quite a wide range of preconditions underlay workers' desire to form a union, despite all existing HR initiatives. At the first sight it seems to be strange that workers decided to unionize, considering existence of such HR initiatives as constituting a works committee, providing workers with uniforms, introducing subsidized canteens, ensuring transport facilities to and from workers' residences, getting sports facilities and working out a transparent performance appraisal system. However, an insight to some HRM practices, which took place at the enterprise, lets us get the understanding of key factors, which led to the "war" between management and employees. With respect to such factors, the situation related to Diwali gift seems to be just a manifestation of unpleasure called forth by other practices.

One of most important factors, which made the workers start thinking about unionizing, was a humiliating "movement sheet" system, which may make an employee feel deprived of freedom and limited in simplest and essential rights. The same humiliating nature was characteristic for company's policies, dealing with providing employees with leaves. For instance, an employee could not get a leave even in case his or her close relative was

seriously ill. Furthermore, employees got tired of permanent threat of dismissal as it was an ordinary policy within the company that an employee gets a threat of termination.

Other factors, whose influence on employees' attitudes, should not be underestimated, are connected with alleged partiality in the job posting-related issues and the behavior of the vice-president of manufacturing. Combination of aforementioned factors together with two extra triggers (employees' feeling belittled by Diwali gift and impunity of Japanese manager on manufacturing) led to the breakdown of relationships between employees and company's management.

Management's contribution to the situation can be viewed in terms of two different directions. The first one deals with introducing and running practices, which led to conflict. Another direction is about management's further actions after workers proclaimed their demands and told the management about their willingness to unionize. Firstly, it is worth mentioning, that particularly management of the company introduced and ensured running of such policies, which were not aligned either with declared HRM attitudes of the company or basic respect to an employee. Despite the fact that management was aware about the fact that employees may feel concerned about some of its practices, nothing was made to address existing issues and preventing the conflict. Secondly, management of the company failed to introduce transparent policy in terms of job postings. Furthermore, managers did not provide employees with the opportunity to discuss their concerns related to job posting system with Japanese top management,

which seemed to be unaware about the situation. In this regard we can identify two failures, attributable both to middle and top management of the company.

When workers decided to unionize and management did not want them to do so, its policy was to frighten some employees, convince them of not joining the union and applying significant efforts to stop further union from being legally registered. All aforementioned kinds of actions contradict the principle transparency and open dialogue. Despite the fact, that management made some attempts to negotiate with employees on their concerns and demands, there was no single strategy of adhering to open communication without applying “divide and rule principle”. The lack of transparency, openness and integrity in management’s practices was the most important reason, which underlay employees’ choosing the position of sticking to their requirements and denying any compromises.

Question3. What cross-cultural issues were present?

According to N. J. Holden (2002), cross-cultural management should be viewed not only as the management of cultural differences, but must be related to managing global networking, knowledge management and organizational learning. (42) However, in our case we can trace issues related to classical understanding of cross-cultural management, which lied in difficulties in establishing communication between middle managers (Indians) and top management (consisting of Japanese), and specific attitudes of Japanese vice-president on manufacturing. The first issue is associated with the fact that there was an apparent lack of coherence

between the activities of different levels of management. Furthermore, Indian managers did not communicate all situations, which occurred, to top management. Therefore, the management of the company was clearly separated into Indians (middle level) and Japanese top management. For Japanese top management it was crucial to ensure transparent communication both with middle management and employees. However, bureaucratic nature of Japanese organizations contributed to the fact that top management preferred to adhere to subordination principle. Thus top management became really distanced from understanding real situation within the company due to lack of integrity in relations with middle management and lack of closeness to employees.

As employees felt existing gap between them and top management, Japanese vice-president's attitudes became an important issue of cross-cultural misunderstanding between top management and employees. Impunity of vice-president was an extra factor to contribute to the breakout of the conflict between management and employees.

Question4. What HR strategy would you suggest to improve industrial relations? According to Salaman, G., Storey, G., Billsberry, J. (2005), modern organizations are required to re-imagine their lives with the reference to contemporary discourse on HRM. (42)

My strategy on pre-violence stage would be radically different from the one I would suggest on the modern stage of Honda motorcycles and Skooters India Ltd development. However, both strategies would have similar underlying principles. First of all, I am going to suggest that employees should be treated as both personalities, who need to be respected and

valuable asset. Furthermore, all HRM practices should be built on principles of transparency, integrity and open dialogue. Contacts are to be diverse, and not limited to subordination. It is essential to provide employees with the opportunity to have open discussions with middle and top management on all concerns, which are related to HRM policies. Management of the company should concentrate on working out effective cross cultural management and strategic HRM practices. To be more precise, it is worth elaborating on the way to manage different cultures and management styles within the organization, taking into account peculiarities of Indian and Japanese general and organizational culture. HRM practices should be aligned with all official declarations of the company, including those on its HRM principles.

Conclusion

Concluding, I would like to mention that particularly a failure to elaborate a comprehensive HR strategy, based on principles of integrity, respect to a personality of an employee, open dialogue and alignment to company's official declarations.

References

- Holden, N. J. (2002). Cross-cultural management. A knowledge management perspective. Edinburgh: Pearson Education Ltd
- Salaman, G., Storey, G., Billsberry, J. (eds.) (2005). Strategic human resource management. Theory and practice . A reader. London: SAGE publications