

Columbus custom carpentry, case study sample

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



1. In your opinion, what is causing the turnover at Columbus Custom Carpentry? 5 points.

The turnover at Columbus Custom Carpentry appears to be a departmental issue. The new hires are turning over at a high rate. The warehouse employees are being paid less, and the other departments are not taking responsibility for damaged goods. The production workers are moving materials without training about where the materials belong.

2. How would you characterize the internal and external equity at Columbus Custom Carpentry? 10 points.

Internal Equity

There are issues with the internal equity in the warehouse department.

Jeffery Green from the raw materials warehouse department is content with his earnings and freedoms in contrary to what his supervisor Cary Dobbins, warehouse manager reported. Stephen Moore, a new warehouse hire describes the concerns that Dobbins raised. Moore believes that the company starts new hires in the less paid crating position. The jigs used to crate are similar to the production jigs where employees work at a higher rate of pay.

External Equity

The company has positioned itself as a premium quality producer of doors making quality critical for the company's success. Time is money and paying the craters a fair wage would increase the company's external equity. The raw materials handlers are being paid much less than the going rate for similar positions.

3. Are the assembly technicians overpaid? Explain. 5 points.

The assembly technicians are overpaid. The position was originally designed as a highly skilled position, the new jig system the position has shifted to an assembly line position. As the position slowly became easier, the wages were never adjusted. The assembly technicians have an average salary of \$32,892 where the craters have an average wage of \$22,529.

4. Are the craters underpaid? If so, why? Will they still be underpaid if the custom hand-work portion of their job is eliminated by the jig system? Explain. 15 points.

The raw materials handlers are being paid much less than the going rate for similar positions. According to salary.com, the average entry level salary for employees that handle and pack finished materials is \$28,245. The craters average pay is \$22,529. That is five thousand dollars less than the industry standard. Their manager has reported the high turnover rate, and new hires see the position as an entry way to the company. Employees need a high enough wage to survive or like Stephan Moore said they will need a second job just to pay their bills and feed their families. The craters can be paid high enough to support a living wage without touching the company's profits by adjusting the assembly workers wages. The two similar positions should have similar compensation that supports the worker by providing them with a living wage.

5. Given the case and market information, is the CFO position best aligned with that of an accounting manager, director, or a CFO? Explain. 5 points

The statements of Mike Cooney, the CFO sound like they come from the chief financial officer. His comments sound as though he has analyzed the

company's financial position and the efficiency of various departments to provide direction. He described the severity of the situation faced by the company. If the warehouse department's efficiency doesn't increase, the company will lose their edge in a competitive market. Cooney describes the company's niche to be reliant on the efficiency. The company must provide doors at a lower price than mass producers while offering specialty models that the mass producers cannot offer. However, according to salary.com the average pay for a Chief Financial Officer is \$315,510, and Cooney's salary is only \$87,250. For a CFO Mr., Cooney is highly underpaid. Though Mr. Cooney sounds like a CFO, his position is more comparable to an accounting manager. He is very young to have such an executive position and has the same last name as the president.

6. Are there differences in pay that appear to be based on sex/race/ethnicity rather than performance or length of service? How so? 20 points

Yes. Starting with office positions the clerks and administrative assistants are all females and the upper management is all white males. The database manager is an Asian male. There is a minimal amount of female production workers. The evidence of discrimination appears to be marginal, but there are enough wage and position stereotypes to raise questions.

7. Would you want to work for this company? Why or why not? How, if at all was your answer affected by the job analysis and compensation information in the case study? 10 points

No. I would not want to start as a crater in a minimally paying position. This job analysis exposed the problems of working at Columbus Custom Carpentry. The HR hire is a good start towards returning the warehousing

department's efficiency. Restructuring the roles within the company should create a more productive working environment. From this analysis, the company is in need of an internal communications officer in order to clarify the roles of the employees.

8. Given your answers to the previous questions, exactly how would you rectify the key issues within Columbus Custom Carpentry? What resources/references support your plan of action? 30 points.

Columbus Custom Carpentry is in dire need of restructuring. The assemblers being overpaid, and the craters are not receiving a living wage. I would shut the company down for a day in order to restructure the two positions and allow for the completion of the craters jig. The compensation for the two positions would then need to be balanced.

According to "Ten Best Practices, for Restructuring the Organization" published in the Global Business & Organizational Excellence the first step towards restructuring is to start at the top (2013, p. 23). Both the president and CFO recognize the problems within the company's efficiency. The president knows that the new human resources manager needs to act fast in order successfully to make the changes needed to manage the company's problems. The next step is to tie the restructuring to design. By completing the craters jigs and changing the titles of the positions, the compensation restructuring becomes part of a company redesign. The design restructure needs to be done using a structured approach. A new process for the craters jig and the assemblers jigs need to be broken down and compared. The new structures design needs to focus beyond numbers and more towards the greater overall profitability. By reducing the assemblers pay and raising the

pay of the craters to a living wage, the company won't be saving much money. The company's payroll will be breaking even after the two positions have their pay adjusted. The company will work more efficiently in time after the employees settle from the restructuring.

The task of material transporting needs more definition and company policies. Employees moving materials need to know where the materials belong. The problems need to be micro analyzed in order to create new policies.

The implementation process needs to be done with care. An internal communications plan needs to be structured ahead of time. A detailed stakeholder's analysis plan needs to be created. Finally, a risk management report and evaluation process needs to be designed before the restructuring process can be implemented. There needs to be a reporting process prepared ahead with a tight schedule of evaluations in order to minimize the risk of structure failure. The assembly managers are going to need to be onboard. Management needs to have a unified vision for the improved company structure in order to motivate the employees to accept their new pay structure.

In an article published in *Social Behavior & Personality: an international journal*, the values of employee motivation during company restructuring were illustrated. The research strongly recommends including the employees into the redesign process. The employees know the faults of their position better than anyone else. Their inside knowledge can help HR redesign the positions of both the assemblers and craters for increased efficiency. By involving the assemblers in the design process, they will feel more valued

and less upset about their pay cuts (Dusheng, & Zhongming, 2014, p. 1440). After all the planning process is complete, and the redesign plans become implemented it is key to monitor the new processes for success and to maintain a positive work environment. Management needs to monitor the productivity actively in order to ensure the efficiency of the redesign.

References

- Dusheng, C., & Zhongming, W. (2014). The Effects of Human Resource Attributions on Employee Outcomes During Organizational Change. *Social Behavior & Personality: An International Journal*, 42(9), 1431-1443. doi: 10.2224/sbp. 2014. 42. 9. 1431
- RECARDO, R. J., & HEATHER, K. (2013). Ten Best Practices for Restructuring the Organization. *Global Business & Organizational Excellence*, 32(2), 23-37. doi: 10.1002/joe. 21470
- Salary. com retrieved 23/11/2014