

Managing change at procter and gamble commerce essay



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The world of business is facing different changes in the environment which create opportunities and threats. As a result, businesses make changes in different processes that are related to work place more abruptly and often compare before. This is because these changes can influence the speed and quality of the performance of companies including: acquisitions, merging, innovation, restructuring and downsizing which can result to the growth of climate of uncertainty (FEAP n. d.). Currently, the business world is facing different changes that are related to technology, regulation and competition and economic condition which affect the perceptions and behavior of the customers and other stakeholders of the company.

Due to this, change is considered as inevitable in the world of business, because change constitute growth and development. According to Peter Drucker, any change in any organizational culture and management is considered as normal and healthy (cited in Dulebohn 2006, p. 37). It will be impossible for any business to grow and improve without improving any changes in order to cope with the changes happenings in the environment it's operating. Any change to be done inside and outside the organization can help the entire organization to adjust to the current situation of the market and industry, by improving and adjusting the culture and other important internal aspects of the organization. Therefore, it is important to consider that change is the most important decision of the top level management of different companies; however, it is one of the most taken for granted aspect of management, particularly regarding the issue of lack of involvement.

This paper will focus on implementation of change in Procter and Gamble (P&G). P&G offers branded products of superior quality and value in order to improve the lives of the consumers from different parts of the globe. This results in: leadership sales, profits as well as value creation, which allow all the stakeholders to prosper (P&G UK 2010). Currently, the company markets more than 300 branded products and operating in more than 80 countries and employs about 140, 000 people (P&G UK 2010). The business started when William Procter and James Gamble started their business of making and selling soap and candles separately on April 12, 1837. In August 22 of the same year, the two decided to formalize their business relationship by pledging \$3, 3596. 47 in Cincinnati, Ohio and signed in October 31. The initial foray of P&G into branding was The Moon and Stars, a trademark that have appeared on all products of the company starting early 1860s (P&G UK 2010).

As a result of this effort and the unyielding commitment of the company to strengthen the brand, widening portfolio and delivering high level of customer service, P&G ranked 10th in the Fortune's Most Admired Companies in 2007 and hailed as the 23rd largest company by US revenue and 14th largest in terms of profit.

Because of the dominance and leadership of P&G in different consumer product categories, it is important for the company to focus on the improvement to be done in its overall operation. The company focuses on adopting new changes and seizes new opportunities that the company created. This paper will focus on analyzing the new technology to be applied in P&G that will help to improve its current operation and performance.
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Background to Change

Background of Change

One of the important characteristics of P&G and the reason behind the success of the company is its ability to cope with change. The company focuses on adopting different changes that will help to improve its performance. If needed, the company is willing to unlearn habits as well as assumptions that were rapidly becoming obsolete and challenge traditional skills as well as strengths. Based on this, change is the term that equates with P&G and it happens in major events, such as technological innovations inside the company.

One of the major technological movements of the company is the concept of Enterprise Content Management (ECM) in 2003. This enables the company to implement content spread across different applications. The result is the integration from back-end system into the more appropriate application of choice. It also enables the company to move from unstructured to structured content management and have been applied to the internal stakeholders to enable information life cycle management. This had helped in order to create, store, retrieve and distribute information that lead to trimmed cost and improved collaboration.

However, this system created some problems or threats that might affect the operation of the company. There is a need to tap virtual working opportunities, at the same time, reduce the workload because of web-based space and chargeback reports. Therefore, it is important to implement smarter working practices and focuses on the need for a fully integrated

web-based facilities management environment. This action is connected to the goal and mission of the company to use innovative technologies that will help P&G to work smarter, faster and more efficiently.

Therefore, based on this, it is important to implement new system that will help in order to fully integrate the operation of P&G in the UK, as well as other parts of the world. This is important because it can help in order to lessen the effort that must be exerted by the employees in terms of managing the system, at the same time, it can help in order to fully integrate the system that will handle the data of different departments and units of P&G UK, which will help in order to improve the decision-making process.

Strengths and Weaknesses of P&G

In connection with the current problem of the company, and the proposed change, it is important to focus on the strengths and weaknesses of P&G. One of the strength of P&G focuses on its ability to handle change. This pertains on the different activities of the company regarding researchers and development. One of the main activities in the company is researching regarding the changes that are going on in the environment, which the company believes that could offer threats and opportunities. Due to this, it can be said that being open to change is strength for P&G because of its willingness to adopt development and improvement. Furthermore, the company also has a strong relationship and connection with other IT organizations which enables the company to have connections with those companies that are informed and skilled in this aspect. With the connection and the willingness to learn and change, the company will have edge in the said aspect.

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On the other hand, the weakness of the company will focus on the ability of the employees of the company to use the fully integrated system. This will be a problem because the perceptions of the employees towards a system are important factor that will affect their individual performance, thus the overall performance of the company.

Organizational Development

Organization development (OD) is a powerful set of concepts and techniques in order to improve the effectiveness and individual well-being of an organization (Friday 2003, p. 2). In the case of P&G, the application of new technology, online workspace system, it can offer different development and improvement for the company. This can help in order to build up an inventory of applications that will deliver information for the entire business units in the UK as well as other parts of the globe, which will help in order for the information to be available as the services through the portal. With this, the employees as well as managers will be able to reuse systems and codes from other parts of the business including purchasing, marketing, logistics, manufacturing and other parts of the company. Furthermore, it can also offer a security module which will help in order to protect information, at the same time, offer service platform that will facilitate data from different sources that can be accessed when needed. Overall, it can help in order to improve and maintain decision-making, at the same time, increasing the access of the internal and external stakeholders to knowledge and information (Mari 2008).

Systems for Process of Change

Systems of Change

The nature of change program falls under three important categories, including continuous improvement, knowledge management and management by objectives. The continuous improvement placed its focus on the improvement of the satisfaction of the customers by implementing continuous and incremental improvements to processes. This focuses on offering workers with flexible data access, particularly regarding the ongoing management of web content. On the other hand, knowledge management pertains on the collection and management of critical knowledge for the purpose of increasing the capacity in order to achieve results. With the help of the program, the application of computer technology can help to wider the audience and connection with the stakeholders. Above all, the ongoing tracking and feedbacks can help in order to motivate P&G to reach its objectives by way of employee and consumer inputs.

This change will focus on satisfying the end-users and develop products that are innovative, which will help to improve the lives of the consumers and the employees of the company. Three important strategies will be implemented in order to capture the end-users requirements and build new products in meeting those requirements. The first two are interactive, which pertains to: living it and working it, while the third pertains on the innovation labs. The innovation labs focus on the needs that are not articulated in direct manner. Aside from these, the corporate portal will also focus on implementing personalized website which will mainly focus on individual websites of each and every products of the company.

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This will focus on refurbishing the website, introducing new workspace standards, flexible hot desks for workers who occasionally work at home and additional meeting and huddle rooms.

With this, different physical and structural aspect of the company will be changed. The structure of the organization will be changed in a way that managers and employees will be trained and coached with accordance to the new system. Furthermore, it will also focus on the improvement and changing the overall standards, rules and procedures being implemented inside the company. This is because it can help in order to ensure that everything is based on the mission, vision and goal of the company.

Evaluation

Assessment and evaluation is important in any change or any actions or strategies to be implemented in an organization. This is because, it can help in order to ensure and maintain that the planned outcome of the program is the exact result, at the same time, ensure that the company acquires competitive advantage. It is important to focus on the main purposes of the program: management support, internal and external communication and program operation. These important factors will be the deciding factors in the evaluation process to know if the program is effective. With this, it is important to implement intensive communication between the different levels of management. It is vital to maintain formal and informal communication via reporting in order to know the status of each and every changes being implemented inside the organization. In the end, evaluation of the impact of the system to the organization will be evaluate by asking the employees about the result of the system and its advantages and <https://assignbuster.com/managing-change-at-procter-and-gamble-commerce-essay/>

advantages in their current works and roles, at the same time, focuses on the overall performance of the company via the financial and other resources matters.

Models of Implementation

Commonly, business leaders considered IT to be costly; however, it is important for P&G to focus on becoming and continuing to be innovation leader, particularly in the UK. Therefore, it is important to unite the IT aspect of the company with its core business services as the core strategy. With this change, it will help to drive shared services across business process with the ongoing commitment in order to maintain the top-to-bottom focus regarding the mission. In the entire change process, the eight-stage process by Kotter (1996).

1. Establishing a sense of urgency – it is important to overcome complacency. This can be done by creating a strong reason why change is needed. The current implementation of IT in P&G created several problems and threats which include duplication and inefficiency. As a result, there is a need to implement new IT platform which will help the company to integrate its current business applications and processes. Thus, the new system will help to focus on scalability, flexibility and easy-to-use system which will help to handle different processes and flow of information and data inside the organization.

2. Creating the guiding coalition – it is vital to build a team with the right composition of power, level of trust and shared objectives in order to lead the change. In the case of the P&G UK, the guided coalition will be from

Cincinnati headquarter by Passerni. This is because the said guiding coalition must conform to the international operation of the company. Thus, in the continuing effort of the company to leverage scale as a global business while retaining the local touch, P&G will focus on transforming its global strategic thinkers with aggressive entrepreneurial spirit, with the influence of the improving IT capabilities and skills. Thus, the company will focus on the three important structural drivers including: global organization, holistic thinking across the business process; organizations and technologies; and growth of partnership with HP, IBM and other important IT companies.

3. Developing a vision and strategy - this pertains on the clarification of direction, motivating people and helping coordination. The premise focused on how new technologies must find its purpose on delivering the product of P&G in the market. Through this process, P&G will continue to be the entrepreneurial thinker where in innovative ways that are related on improving the current products and services being offered to the current market and target market. With this, it can help in order for the company to maintain its position in the UK market, at the same time, ensure that continuous innovation and development will be done.

4. Communicating the change vision - understanding is vital in any change management, because it can affect the overall change implementation. The actors of this change are the members of the enterprise architecture unit at P&G. In order to gain the 100% employee buy-in, it is important that the bulk of ideas will be generated from different sources from the top IT providers to the employee who work on shop floor. This will cause 10% to 15% jobs

changes and structural changes. Communication strategies to be
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implemented are downward and horizontal communication (Guffrey n. d.).

Downward communication refers to communications from superior to those who report to them. These may be used in order to communicate about job instructions, job rationale, procedures and practices, performance feedback and company missions. On the other hand, the horizontal communication consists of message between colleagues at the same level of organization (CMR Institute 2006). Overall, the information will flow from decision-makers and will be shared between lateral channels (Guffrey n. d.).

5. Empowering employees for broad based action - this stage will focus on eliminating barriers and time constraints. The team approach gets hold of the willingness of each and every employee for the implementation of the online workspace system. This will help in order to empower the employees for broad-based action. It is vital to focus on creating sense of involvement to the employees, at the same time implement self-directed work teams in order to meet their objectives of adapting to the online workspace systems. The company will focus on implementing different training and development programs that will help to coach and train the employees to be familiar with the new system.

6. Generating short terms wins - it is important to stay on the course as major change will take long time. The said change is an indication that the top management of the company must focus on the strategic actions that focus on the total business perspective and not just focus towards the product or the employee. It is vital to focus on the organizational process, decision making and innovation with connection on the IT strategy and the business needs in order to generate short term wins.

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7. Consolidate gains and produce more change - using short term wins, with this change, the company can focus on international change, particularly in the sense of the geographically dispersed business units, it is important to focus on the development of the organization, global business service as well as corporate functions into a single, cohesive collaboration.

8. Anchor the new culture - it is important to innovate and change in continuous manner in order to firmly ground the operating style. It will pertain on the multi-layer content management architecture, at the same time, leverage open standards consolidating the gains. The paradigm shift was from being technologies-thinking into solution-thinking.

Conclusion and Recommendation

Change is inevitable, particularly in the world of business. Change can cause both positive and negative results for any company. First, change means growth and improvement, thus it can help companies to focus on the different threats and opportunities which can be implemented and prevented inside the organization in order to ensure success and maintain position in the market and industry. On the other hand, change can also cause negative results for any company, particularly in the aspect of management. It can cause huge amount to be spent, at the same time great effort to be exerted in order to ensure that the change will not affect the behavior and attitudes of the employees and other important stakeholders towards the company.

In the case of P&G, it is important for the company to focus on improving its IT, because it can help to maintain competitive advantage by ensuring that information flow is properly manage, at the same time, ensure that all the

stakeholders in the company are properly connected in the decision-making process. With this, it is vital for P&G to focus on the different aspects that are related with the change management, including theories and practices.