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Original Structure and Its Effectiveness

Original Sales Approach

The business world has become so competitive that further growth of companies and other business organizations now greatly depends on rigorous, innovative research and development. It's for the same reasons that EUROCOM had a policy of great investments in the modernization of its facilities in the research and development ventures and expansion of its international networks. This necessitated integration of marketing and sales as project teams or as Mintzberg's concept[1] puts it - operating adhocracies. When the company was established in the early 1970s, the structure of management and running operations was very different from today.

There have been so many changes that have come about due to the evolving markets and customers' needs[2]. The original structure was basically aimed at making sales with regard of what the clients wanted or thought about the products. Walter Jacobi, who came to the company as a sales representative together with other sales personnel were among the few people who knew something about computers. This entailed knowledge of what they were and what they could do, therefore for them to make sales it was easy. The goal was just to be able to convince their target and potential clients that the EuroCom's computers were capable of meeting their need much better than those from competitors.

In essence, one could tell that the research and development engineers of the company and the sales people were just telling the customers what they

required or needed. And this was the machine or rather the computer produced by EuroCom. This is the reason why the strategies and structure of the 1970s and 1980s is considered to have used for selling 'boxes' to clients rather than use systems.

The effectiveness of the structure was basically based on the individual's ability to persuade clients. As such, a person like Walter who had incredible sales characteristic became an outstanding salesperson. He was tenacious, persuasive, with excellent communication skills and good contacts with the customers.

His technique was very efficient where he would meet a potential customer, talk to and win his/her trust, talk about business and convince the customer that he had the right and the best product for him/her. The client would then place an order but still Walter would keep in touch even visit and offer gifts to the customer. This strategy was highly effective as client become loyal and regular buyers making him one of the best salesmen.

The Need for Change and New Structure

Since its foundation, the company had occupied a very strong position on the international market and was very proud of its development in the late 1970s. However, during that time, there was a major change in the computer market on the global level. EuroCom was at pains to keep with these changes which included tougher competition particularly from Japan and the US venturing into European market. The retailers were demanding customized machines, highly professional that would grant them competitive

edge on the market. They also demanded comprehensive products which could be compatible with a number of software or developing technologies.

At that moment, it became very essential to understand the customer market and current market concepts to be able to establish relationships with customers and thus penetrate new markets. The major changes in the market necessitated paradigm change where there would be redefinition of roles, developing new marketing functions, introducing marketers into sales, coordination of the department activities and use of new technology and applications[3]. This was a planned change involving well thought-out managerial decisions based on the outcomes of the existing process and future improvement[4]. Important factors that were considered include the aspect of market globalizations, employing talented, ambitious and visionary workers, flattening the hierarchy by allowing communication to bypass some managers[5]. The process of working was also reengineered to combine sales and marketing and encouraged team effort[6]. The changes can be defined as having been economic and technological changes. Economic in that they were caused by clients' specification, competition from Japan and international relations and technological in that, the company had reached a position where it had to introduce new technology as the market needs changed[7].

The Effects of the Structural Changes on Leadership, Teamwork and Interpersonal Relationships

The new structure developed was a combination of four divisions including marketing activities, research, product management and sales. This meant the division or department would no longer function independent but rather

work together to seek to achieve common goals. Sales were then made part of marketing. The company also developed procedures for handling local and international projects to ensure better coordination. The management of EuroCom had shifted from traditional 'family' and functional course to class professional project management way. This new structure that had been developed to ensure direct sales to the customers sought to recruit intelligent young academicians with good education background in computer courses into the managerial posts. Since this seemed to bring new talent and brains to the company, the older executives were displeased with these decisions as they preferred to hire personnel from trade schools or apprenticeship as traditionally done by the company. The change focused on major company process which included shifting the production process[8].

The new model was to take into consideration the needs of the customers and specification. Eurocom was to be transformed from mere computer building to computer consultation as the new workers were those with greater knowledge of computers with college degrees. The change also sought to change worker demographic by including younger employees, encouraging cultural diversity and trying to get older workers form teams[9] with the new recruits.

The transformation was not an easy job but the goals of the change were; To increase productivity of the company To increase sensitivity to customers' needs and requirements To improve the company's competitive position against competitors To develop new management strategies and skills across the company[10] The management team was greatly convinced that the new structure was also opening up new opportunities and preparing the

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workers for future roles like marketing subsidiaries. The sales division was hence an idea sector of training the new recruits and preparing them for taking up the important roles in the company in future[11]. The group marketing director personally visited all the company executives under the direct sale division and he encouraged them to actively execute the new strategy and structure. Walter Jacobi was in charge of key functions including planning, preparing sales budget, leading and motivating the sales team and departmental organization. Leadership was critically affected because Walter was not used to conducting several new tasks and responsibilities and as a consequence, he became overloaded and disorientated.

Duties like planning the sales activities and budgeting which would naturally have been done in on long-term basis now had to be submitted to the other divisions before a decision could be made. Production, marketing and accounting departments had to go through the plan and approve it. Walter had initially been used to working all by himself and adjusting to the new changes that required a lot of teamwork was a great challenge for him. He could not just be able to think of it as in involving almost the entire staff in decision making and words like motivation, delegations and communication did not mean much in his world. He wanted the old system where the manager would make the critical decisions and then it was the duty of the subordinated to implement these decisions. Therefore teamwork was greatly affected as Walter did not actively participate, furthermore, the younger employees and the older employees were not cohesive enough and there was a clear drift because of different in opinions.

The older personnel felt threatened and they isolated themselves forming what can be terms as a ' club'. However, of the older executives, it was only Walter who thought there was a chance that they could collaborate with the new generation of workers. Meaning there was no cohesiveness of the older generation and the new workers. The performance of the leaders was deteriorating and looking at Walter's performance, he showed positive results but thing became difficult for him when it came to discussing details with other executives. Walter could not work well with the new sales team and stuck with his previous approaches while the younger employees tried to get him to understand the new approaches. The new marketing orientation did not seem to make sense to him at all as puts it. His role had always been to sell the computers to customers.

Now the idea of analyzing and researching markets was very disturbing to him since he thought that markets did not concern sale personnel. He reiterated that the company had previously performed better without the marketing research and analyses. Accordingly, he did not see the sense of modifying something that was working well. Another thing that was critical damaged because of the new structure was the interpersonal relationships. The new generation of workers was highly qualified as they were young intelligent and dynamic.

This compounded with the fact that they did not share any interests, as depicted by the differences in language, views and attitude towards the work and new structure[12], there was not good interpersonal connection. The younger employees tried to carry Walter along as the venture into the new structure and business world. The old colleagues of Walter always pulled him

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back telling him that the never shared the same views as the new workers. They believed that the management would still want them since the new generation of employee did not have the experience. In order to avoid conflict, Walter had one strategy, to withdraw from active company activities, do his job and then wait for the outcomes[13]. This ways he avoided making mistakes openly or running into trouble with his coworkers. His skills in selling were not helping him in facing the new challenges and he was not able to cope with the dynamism in marketing.

By being passive, the younger subordinates became irritated by Walter's behavior and stopped going to him for advice. Consequently, he withdrew more inside himself and the atmosphere became more tensed. He lost his credibility among his old colleagues as well and most of the employees would bypass him and go to the department director directly.

Management Perspective for Helping Personnel Change and Adapt to New Structure

This seeks to answer James's concerns: What we need is a management perspective that will help people change and adapt as circumstances demand. How do we do that? Where should we start?" Helping people to adapt to the new structural changes is very critical for organizations to progress in the new and ever-changing market dynamics. There are several approaches that EuroCom can employ to ensure that there is good adaptation and integration among workers to the new structure. The new structure is supposed to enhance the concept of transformational leadership where the older generation of senior managers are willing to work with new workers involving them in decision making and then in management teams.

They should be given autonomy so that they can be able to work independently to boost their confidence[14].

Greiner model

In order for the change to be a smooth transition from the old structure to the new structure, the Greiner's and Lewin's model will have to be employed[15][16]. There is pressure and arousal from the external forces and the process of reorientation. Walter and the other group of managers need to be taken through the 3 stages of Lewin's change process theory (unfreezing, moving and refreezing). The management team should seek to diagnose the problem by gathering extensive information across the company and allow open communication disregarding the hierarchy[17]. In order to develop solution for the identified problems, wide search of alternatives should be collected from the workers and by experimenting[18]. The organizational pathologies that were being faced by Eurocom because of the new structure include management tension, communication crises[19], lack of cohesive teamwork, middle managers' dilemma and depersonalization of management.

The solutions suggested for the pathologies include facilitating collaboration and integration of the working teams, simplifying the organization structure, and personalizing management[20]. In order to ensure easy and smooth adaptation the following approaches named based on the issues that they resolve once implemented in the change strategy are applied.

Human Process Strategies

Consultation: the manager can seek advice from with the board of directors, task forces and other organized agencies dealing with organizational issues to assist the old employees in improving their skill and ways of enhancing interpersonal communication. The consultants are professional who will help the group in appreciating factors like norms, collaboration, styles of leadership and influence so that they can become experts of diagnosing problems and learn how to manage them as well. Team building: the teamwork spirit of EuroCom was greatly damaged by the new structure learning to divisions among the workers.

The old executives formed their own ' club' where they do not work with the new generation employees. People like Walter Jacobi are isolated, passive and withdrawn from the organizational activities. The management can organize for teambuilding activities like a retreat where the workers interact in a freer environment than the already tensed workplace. As such, they will be able to bond and possibly develop new working relationships[21].

Techno-Structural Interventions

Redesign of the Structure: because, it is the proper structure that will allow the organization to survive in future to cope with the dynamic business market environment, the organization has to make critical innovative structural redesign, this is because it seem to be facing increasing complexity and uncertainty and more difficulties in adapting to the change[22]. The management has to be involved in every step of change process, identifying better ways of coordinating and integrating the relevant activities needed to produce a certain outcome. The structural interventions

showing good success entails setting up of task forces, matrix structure or self managed work groups[23]. Flexible workforce - self management: this is the strategy where employees are trained on varying task so that they can be able to handle a range of duties and responsibilities.

Note the major problems Walter was having came as a result of increased multitasking and handling different roles at once which made him overwhelmed and bewildered. This strategy will involve cross training and employees will be able to assist each other whenever necessary. The managers and supervisor work as advisors and facilitators of the work teams[24].

Human Resource Interventions

Career Planning and Development: the organization should improve career planning for its employees so that they can understand the future probabilities. This can be done by providing crucial information concerning career related issues like education opportunities and promotional requirements. Plus the organization has to provide counseling services and self-development seminars and workshops where individuals are challenged to develop their careers based on the challenges to be addressed[25]. **Stress Management:** stress can be a major problem when people are struggling to accept and adapt to changes in the origination. These stresses are often caused by role conflicts, increased work demands, ambiguity in future career advancement and poor interpersonal relationships[26].

If an organization is able to provide intervention for managing stress among employees, to identify the stressors and remove them then the people will

be in a position to cope well with nerve-racking job issues. By providing the workers with better ways of responding to stress offer them good health hence better job performance[27].

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