

Study on interact telecommunications company management essay

[Business](#), [Management](#)



Interact is a telephone communications company. It manufactures and supplies component parts for the telephone related industries. Over the past 10 years, they have emerged as one of the key leaders in the development of parts, within this industry. Interact's home office is located in Miami, Florida, USA. However, it does have production plants and distribution facilities in Eastern China in order to take advantage of lower labor rates than in America. Due largely to the recession, Interact chose to reduce its worldwide workforce by 20% over the past two years. After about three months, a period of loss and dejection emerged, which has resulted in significant demotivation, decline in performance, and an increase in absenteeism and turnover. In this situation Interact needs to increase their employees' performance.

Performance Management -

Performance Management is one of the key processes that, when effectively carried out, helps employees know that their contributions are recognized and acknowledged. Performance management is an ongoing process of communication between a supervisor and an employee that occurs throughout the year, in support of accomplishing the strategic objectives of the organization. The communication process includes clarifying expectations, setting objectives, identifying goals, providing feedback, and evaluating results.

Managing Employee Performance – The Cycle

Overseeing performance and providing feedback is not an isolated event, focused in a performance assessment or evaluation. It is an ongoing process

that takes place throughout the year. The Performance management process is a cycle, with discussions varying year-to-year based on changing objectives.

The cycle includes Planning, Checking-In, and Assessment.

To begin the planning process, manager's and employee review overall expectations, which include collaborating on the development of performance objectives. Individual development goals are also updated. You then develop a performance plan that directs the employee's efforts toward achieving specific results to support organizational excellence and employee success. Goals and objectives are discussed throughout the year, during check-in meetings. This provides a framework to ensure employees achieve results through coaching and mutual feedback. At the end of the performance period, manager assesses the employee's performance against expected objectives, as well as the means used and behaviors demonstrated in achieving those objectives. Together, establish new objectives for the next performance period

The performance cycle-

Phase I: Planning

" Planning" refers to setting performance expectations and goals for individuals to channel their efforts toward achieving departmental and/or organizational objectives. It also includes the measures, or " metrics", that will be used to determine whether expectations and goals are met. Effective performance planning requires clear communication of performance standards, goals and objectives. Involving employees in the planning process helps them to better understand their goals and responsibilities as

they relate to the success of the organization. Performance planning is fundamental to effective management. Interact need a proper planning to increase their staff's performance. Contributes to the success of the Interact. Planning need for Interact to maintain timing. Planning will help Interact employees understand the importance of their job and how it relates to the broader organizational objectives Builds the partnership between the management & the employee Identifies what the employee must do to be successful, including development activities Interact should also plan to Identifies how supervisor must do to help employee be successful Simplifies performance evaluation by creating a shared understanding of performance expectations.... no "surprises". Objectives force the employee to think of planning for results, not just planning activities. Identifying objectives encourages the employee to continually look for ways to improve overall department effectiveness and efficiency, and link individual and departmental operations and results to the overall planning and mission of the University. Objectives set through a collaborative process between the employee, supervisor, and department elicit commitment. Managers and the employee should develop objectives together whenever possible. Set short-term goals with a long-term view. Objectives are generally set for periods of a year or less, which may sacrifice long-term gain to generate results in the short-term. Identify critical issues and possible obstacles Do not underestimate resource needs. Build in flexibility. Regular status update and check-in meetings make it much easier to identify problems or shifts in unit priorities and change course.

Phase II: Check-In

Providing Observation and Feedback Once performance objectives and standards are established, managers should observe an employee's performance and check-in with them regularly, providing feedback. Managers have a responsibility to recognize and reinforce strong performance by an employee, and identify and encourage improvement where it is needed. Some types of jobs and responsibilities have built-in feedback. In these jobs the knowledge of the results comes from work activity itself, such as when an electrician repairs a broken switch and it begins to work, when a development officer in charge of a capital campaign begins to receive donations, or when a SAO successfully helps a student through a difficult process. This kind of feedback is very effective because it is immediate. However, even jobs with immediate feedback can benefit from external feedback, since it contributes to an employee's overall knowledge of his/her results and work. After an effective planning Interact need to check in how the things are going on.

Effective observation and feedback can:

Strengthen communication between management and the employees. Help the employee attain performance objectives and meet standards. Increase employee motivation and commitment. Maintain and increase the employee's self-esteem Provide support to the employee. Coaching - An Effective Feedback Tool Coaching is a method of strengthening communication between Interact managers and the employees, and can be used during check-in sessions. Coaching helps to shape performance and

increase the likelihood that the employee's results will meet Interacts expectations. Coaching sessions provide management and the employee the opportunity to discuss progress toward meeting mutually established standards and objectives. A coaching session focuses on one or two aspects of performance, rather than the total review that takes place in a performance appraisal.

Phase III: Assessment

Assessment is the final phase of the performance management cycle. It provides an excellent opportunity for management to communicate with the employee about past performance, evaluate the employee's job satisfaction, and make plans for the employee's future performance. Performance assessment is the process of measuring an employee's performance in the current position. Many terms are used for this process, including evaluation, appraisal, and assessment, and usage varies depending on policy and/or contract language. The performance assessment summarizes the employee's contributions over the entire assessment period. While policy and contract state that an employee should be assessed at least once a year, it is strongly suggested that employees receive some form of assessment on a more frequent basis. It may occur as often as you believe is necessary to acknowledge the employee for accomplishments and to plan together for improved performance.

Some goals of the performance assessment process are to help the Interact employees:

Feel positive about the job
Feel appreciated for specific contributions
Benefit by specific, constructive feedback
Keep informed about current and future performance objectives
Keep motivated to do well and to develop
Stay involved as a participant in the process
A key goal for manager and the employee is to recognize the degree to which an employee was successful, or how well the employee met expectations, be they objectives, standards, performance dimensions or some other measure. The Final Assessment Document
Record the results of the discussion on the performance assessment form. Ask the employee to sign and date the form, and explain that this signature acknowledges discussion of the contents, not necessarily agreement with them. Route the document to manager for final signatures. Give a copy of the signed assessment to the employee, and place a copy in the personnel file. To Develop performance of the Interact's employee, the performance cycle may help management a lot. 6

TASK-2

Interact's employees need an effective training. Because of recession they reduce their workforce by 20% at last year. But their operation is going as natural. It is falling pressure to the current employees. With their won job responsibilities they also have to do their responsibilities, whose are reduced. It is quite hard to any one to do any job with out any knowledge or experience about the job.

Identify development need –

The term training refers to the acquisition of knowledge, skills, and competencies as a result of the teaching of vocational or practical skills and knowledge that relate to specific useful competencies. When a performance appraisal indicates performance improvement is needed then training is need for employees. Interact is hardly needed to trained their employees. Interact reduce their workforce by 20%. But, they did not recruit their workforce. Their job factor does not reduce. These have to be done by current employees. Many employees may not experience with new job factors. They need knowledge about all these stage otherwise it will be hard to perform well as company needed. So, Interacts have to know in which sectors they need to train their employees. It will help them to increase their productivity.

Design development activity –

Interact have to identify how they will trained their employee, how the training would be more effective for the organization. They also have to identify, how much time need to trained employees. Interact also need to find out the best trainer to train their employee. Training is obviously first need for development of any employee. Often training needs are simply defined by looking at the employee's performance or by understanding their experience or lack of experience with the specific job tasks. Interact hardly needed to train their employees. There are two types of training method. First one is on the job and second one is off the job. On-the-job means, Employee training at the place of work, while he or she is doing the actual

job. Usually a professional trainer (or sometimes an experienced employee) serves as the course instructor, and employs the principles of learning (participation, repetition, relevance, transference, and feedback). 7Of-the-job training means, Employee training at a site away from the actual work environment. It often utilizes lectures, case studies, role playing, simulation, etc. Interact need to trained heir current employees, so on-the-job method is perfect for them.

Carry out development –

This is how the actual training would be delivered. Management has to communicate with employees regularly. Management has to observe how the employee is doing. They also should Schedule to meet employees, at least once per quarter to discuss how development are going. If answer is positive then ok, if negative then take actual action. Give the employee the encouragement and support needed to feel confident in his or her ability to succeed. When things do not go as well as planned, focus on what went right. Ask questions; review any quantity and quality measures that are relevant. Give ongoing feedback on what the individual is doing well and what they need to be doing differently. Feedback is critical to the success of the developmental process.

Evaluate development –

This is the evaluation component. It means the implementation that what they learned from the training. If everything is ok then input them to their actual job. If Employee is not performing well, then they should notify what is the lacking. Then Interact should try to overcome employees training

problems to make them best performer. For more productivity, employee's development need to every organization. By implicating these approaches, Interact could develop their employees. 8

TASK-3

There is many leadership models for the management to leading Interact. One of them is Goleman leadership styles-

Coaching Leadership style

In the Coaching Leadership Style, the leader focuses on helping others in their personal development, and in their job-related activities. The coaching leader aids others to get up to speed by working closely with them to make sure they have the knowledge and tools to be successful. This situational leadership style works best when the employee already understands their weaknesses, and is receptive to improvement suggestions or ideas.

Pacesetting Leadership style

When employees are self-motivated and highly skilled, the Pacesetting Leadership Style is extremely effective. The pacesetting leader sets very high performance standards for themselves and the group. They exemplify the behaviors they are seeking from other members of the group. This leadership style needs to be used sparingly since workers can often "burn out" due to the demanding pace of this style.

Democratic Leadership style

The Democratic Leadership Style gives members of the work group a vote, or a say, in nearly every decision the team makes. When used effectively, the

democratic leader builds flexibility and responsibility. They can help identify new ways to do things with fresh ideas. Be careful with this style, however, because the level of involvement required by this approach, as well as the decision-making process, can be very time consuming.

Affiliative Leadership style

The Affiliative Leadership Style is most effective in situations where morale is low or teambuilding is needed. This leader is easily recognized by their theme of "employee first." Employees can expect much praise from this style; unfortunately, poor performance may also go without correction.

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Authoritative Leadership style

If your business seems to be drifting aimlessly, then the Authoritative Leadership Style can be very effective in this type of situation. The authoritative leader is an expert in dealing with the problems or challenges at hand, and can clearly identify goals that will lead to success. This leader also allows employees to figure out the best way to achieve those goals.

Coercive Leadership style

The Coercive Leadership Style should be used with caution because it's based on the concept of "command and control," which usually causes a decrease in motivation among those interacting with this type of manager. The coercive leader is most effective in situations where the company or group requires a complete turnaround. It is also effective during disasters, or dealing with under performing employees - usually as a last resort.

Present situation of Interact-Interact is following autocratic leadership style. The form of autocratic leadership is one of the least desirable when it comes to building trusting relationships and making friends! In a system of autocratic leadership, one person has control over all of the workers or followers. The leader is in complete control and no one is permitted to make any suggestions or offer any opinions, no matter how it may benefit the group. It is Short-termistic approach to management. While leading autocratically will enable faster decisions to be made in the short term, by robbing subordinates of the opportunity to gain experience and start on their own leadership development, and learn from their mistakes, the manager is actually de-skilling their workforce which will lead to poorer decisions and productivity in the long run. Interact is a leading company in the industry. They should have a long run plan to continue their position. But they are being autocratic and task focused. As a leader company with a long run project interact should not go with autocratic leadership style. Interact should go with Democratic Leaders, it will help them to work as a team. It is more effective for interact to increase their productivity. Employees will get more motivation by this leadership way. This is the more flexible leadership style. Interact's employees need flexibility, because they are working too hard and long hours. On the other hand, autocratic leadership style is too much de-motivating for interact employees. For a long run operation, organization should be flexible with its staffs. And it is possible in democratic leadership style. The impact of autocratic leadership style on motivation and performance -To lead means to show the way, to conduct, to escort, to guide, to direct. to cause to follow. to induce, to steer, to tend toward a

certain goal or result, to point the way by going first. This method of leadership may lead to more pressure from the boss on the rest of the employees, who then push back against the management method. Theft and other issues may arise because of a lack of workplace satisfaction. Employee Satisfaction is the major issue for organization's productivity. To satisfy any employee Interact should motivate their employee. Employees need freedom to do their job by mind, but it is quit impossible in autocratic leadership style. So, it is falling impact on employee motivation. On the other hand because for recession, Interact reduce their workforce by 20%. In this situation with autocratic leadership style, they do not have any right to take decision. It is hardly de-motivating the employee. At present they are working harder and longer hours. Because their manager or management are assigning them to do so. And employees have no other options. It also creates de-motivation for the employees. Interact reduce their workforce by 20% due to world recession. But, they yet not go for recruiting to fulfill these vacancies. As a result, current employees have to carry on the huge job pressure. May be some of the employees are not familiar with this new activities, but they have to do these because of their leader's decision. If any one is not familiar or well experienced with his job, then how could he/she perform well? Most of the employee of interact are not satisfy with leader's decision such as- extensive work load, extended working hours. When an employee dissatisfied with his job, then their performance decreased automatically.

11Under recession period, all employees are scared about their positions. Employees are thinking of their job securities. Under this condition, it is too hard to attentive into their job. Due to recession Interact reduce their

employee by 20% and they become more autocratic. In this situation employees facing huge work pressure. So, they need motivation. Autocratic leadership style is not a best approach to motivate employees.

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TASK-4

Turnover or labor turnover is the rate at which an employer gains and loses employees. Simple ways to describe it are " how long employees tend to stay" or " the rate of traffic through the revolving door." High turnover can be harmful to a company's productivity if skilled workers are often leaving and the worker population contains a high percentage of novice workers. High turnover often means that employees are unhappy with the work or compensation, but it can also indicate unsafe or unhealthy conditions, or that too few employees give satisfactory performance. Absenteeism is a habitual pattern of absence from a duty or obligation. Traditionally, absenteeism has been viewed as an indicator of rich individual performance, as well as a breach of an implicit contract between employee and employer; it was seen as a management problem, and framed in economic or quasi-economic terms. Because of recession, Interact may facing economical worse situation. Interact reduced their workforce by 20%, it is falling impact to the current employees. Their working hour has been increased. Their job force has been increased too. At this situation, employees are not satisfied with their work field. They also scared to losing their job anytime. In this situation management should do something as followings-At first Management has to find out why this occurs, why employees being absent or leaving the

organization. Nowadays, it is becoming a major problem among most of the companies. There are many aspects that play a significant role in the employee turnover rate of a particular company. Employee turnover could happen for such factor, Salary Scale, Benefits, Advancements and Promotion Policies, Working Environment, Working Procedures etc. So Interact's management need to Auditing employees to find out what their needs and their expectations , what might be the cause of absenteeism and turnover; how they would be satisfy. Employees are not trained well, but they have to do many act what they did not learned yet. Management should consult with employee to find out what kind learning or training they need. There are different kinds of training such as on-the-job and off-the-job training. On-the-job training takes place in a normal working situation, using the actual tools, equipment, documents or materials that trainees will use when fully trained. On-the-job training has a general reputation as most effective for vocational work and Off-the-job training takes place away from normal work situations — implying that the employee does not count as a directly productive worker while such training takes place. Off-the-job training has the advantage that it allows people to get away from work and concentrate. 13More thoroughly on the training itself. Then management should apply it as soon as possible. If employee is dissatisfy with his job, Interact's competitor will take this advantages, they will willing to pick experienced workforce by more flexibility. Lower trained employees decrease organization productivity. So, it is seem that the ultimate loser the company itself. So, training and learning must needed for all current employees at this situation. Employees working hour is too high, they being upset about this cause. If employee look for

another competitor companies working hours then it might de-motivate them hardly. And they may start search for another job with another company. So, the management should be flexible with them about their working hours or management can decide to pay them as their working hour pay as part time hours. Such as (\$10 per hour) it will help to decrease employee turnover and absenteeism. Employee's job responsibilities also increased, but management does not realize it. It is one of the best causes for employee dissatisfactions. Management should notify about their employees job satisfaction. Management should decide how to decrease pressure from employees. For being on pressure, employees are not satisfied with their job; they may seek or join with another job. That's why turnover and absenteeism may increase. They should recruit people as organization needs. Management should motivate their employees by giving some reward or extra facilities, such as - best performer of the month, best hard worker of the year etc. Employees always seek for more facilities. Where they find it more, there they willing to working there. So, management has to give concentrate about employee motivation. Or else absenteeism and turnover rate will increase. Interect's turnover rate is being 6% higher than natural. Interact reduced their workforce by 20% at last year. Employee may scare to loose their positions. That's why, before it occurred they may joining another company or searching another job. So, turnover is increasing. So, management should make secured employees job position, such as- Deed of minimum working life time, If reduce company will pay employee a fixed amount. Interact in a worse situation because of employee's high turnover

rate and absenteeism. In this situation, I think Interact may follow all the approach given up. 14

TASK-5

Employee absenteeism is one of the most common workplace problems facing employers in today's workplace. Legitimate illnesses still account for the majority of employee absences, but some studies have shown that less than one-third of absences from the workplace are related to poor health. Most employers offer their workers vacation, sick leave, paid time off, or other kinds of paid and unpaid leave. Interact also facing this problem, but too highly. Absenteeism become one of the great problem of interact and it may decrease the growth of productivity as services well. In this situation Interact might take action as follows-

Assess the absence problem-

At first management should try to find out the main causes of absenteeism. They have to realize employee's needs and expectations. Absenteeism may occur for various reasons. Such as- lack of job satisfaction, lower salary, higher job responsibility, organization's norm and cultures, working hours, job security, extra facilities and others. At this situation hard working and longer working hours are main cause for absenteeism.

Identify and prioritize absence causes-

It is impossible to take action for all the absenteeism causes at a time. So, after asses the absenteeism causes, then Interact's management have identify and prioritize absence causes. They have to allocate the

absenteeism problem by the basis of importance. Then management should give priority the most serious one. I think, at present longer working hour and hard workings are most important problems. Interact employees working a longer hour than normal. It is hard to working long time everyday in a week. In this situation Interact may recruit new people for their present vacancies or else they can hire experienced people as a part time worker. Then, job security, job satisfaction may come into the serial. So, Interact should take action by allocating the entire absenteeism problem on important basis.

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Evaluate the current absence control methods-

Every organization might have an absence control method; Interact also should have their own absence control method. Management has to examine their absence control method, how it is working. If it would on right basis then absence problem might not create. So, it must be have some problem, because it is not working as well as needed. Management should find out those lacking, to take a proper action about absenteeism problem.

Management may arrange a board meeting by presenting all managers, then consult about their present method. Meeting may help them to find out, present absence method's inaccuracy easily. Or they may hire experienced, to find out the problem. Management can also consult with staffs directly.

Design the absence control program-

After finding the present absence problem, then management could design a new absence control method on the basis of current situation. In this new

method management might include some new extra facility. Management can be strict about this problem, Such as -If any one absence continues three days then management will cut their one day salary or if any one being absence seven days in a month he/she will disclose from job, everyone should show document why he/she was absent. Management can also start transportation system to bring employee from their own destination. Management could also give salary on the working hour basis, like per hour \$10 and pay at the last of the month.

Implement absence control program-

After designing an effective absences control method management have to apply this through the employee. Management should notify the entire employee about their new control method. Management has to implement the new absent control method globally. Aware all managers to monitor about their implementations.

Monitor the effectiveness of the absence control program-

After implementing their new method, management need a proper monitoring about it. Management could apply a statistic way to monitoring the rate of absenteeism. Management may call a board meeting after the first month of implementing. Then they should discuss about the progress. If it is not progressive then management may modified the method. I think, employees of Interact are not satisfied with their job. They may seek for some extra facilities or flexibility to do their job more productive. But, they are not getting as they need. So, absenteeism rate is increasing day by day.

In this situation productivity would also decrease of Interact. So, they should take action to solve this problem as soon as possible. 16

TASK-6

Employee turnover is the difference in the rate of employees leaving a company and new employees filling up their positions. Nowadays, it is becoming a major problem among most of the companies, especially in low paying jobs. There are many aspects that play a significant role in the employee turnover rate of a particular company. Such aspects can stem from both the company as well as the employees. The employers generally give more importance to the employee turnover rate, as it is a very expensive aspect of the business. When employees leave the company, the employer has to incur a considerable amount of direct and indirect expense. These costs normally include advertising expenses, headhunting fees, resource management expenses, loss of time and productivity, work imbalance, and employee training and development expenses for new joiners. The company may quarterly calculate employee turnover rates to meliorate the factors causing the turnover. If the company determines the most common causes of employee turnover, it would certainly be able to take the necessary steps for recruiting and retaining well-qualified personnel.

CAUSES OF EMPOLYEE TURNOVER-

Salary Scale-

This is the most common cause of the employee turnover rate being so high. Employees are in search of jobs which pay well. If the companies which they

are working in don't offer good salaries, they tend to hunt for jobs that pay them considerably well. In order to resolve this problem, the employers should make it a point to offer salaries that would be competitive enough to retain and attract well-qualified and talented personnel. An unsatisfactory performance appraisal is also one of the reasons for employees leaving a company. Interact's employees have to do more jobs than usual, but they are not getting enough salary. It is totally de-motivating them.

Benefits

Employees always flock to companies who offer more benefits. There are many employees who are not aware of the benefits that are provided to them in their compensation package. The employers need to reduce their bureaucratic procedures in order for the employees to receive the best available benefits without any difficulty. They should make a note of what all benefits other organizations are providing, which may attract their current employees. 17Interacts employee does not get any kind of proper benefits from the company, they are not trained well, they are not getting any reward. The impact of this global workforce reduction has been complex. Initially, there seemed to be a period when all of Interact's employees were working harder and longer hours. After about three months, a period of loss and dejection emerged, which has resulted in significant de-motivation . In a word, they are not satisfied with their job.

Advancements and Promotion Policies

This is the prime reason why many mid-level executives leave the company. Due to no potential opportunity for advancements or promotions, they prefer

other companies which may provide them with higher posts and increased compensation packages. The companies need to evaluate and modify their promotion policies in a fair way which would enable promotions for candidates only on the basis of employee performance. There is not any promotion system in Interact. The impact of this global workforce reduction has been complex. Initially, there seemed to be a period when all of Interact's employees were working harder and longer hours. But they do not getting enough facility as their expectation.

Working Environment

This is also one of the main causes for employee turnover. Employees prefer to work in an environment which is suitable for them. This is the most common reason why they jump from company to company in just a few months. If they find an appropriate work environment in a specific company, they may work in the same organization for several years. Interect reduce their workforce 20% over the past two year. So, all the employee are scared about his/her position, they can lose their job anytime. So, they are doing their job on a worse working environment.

Lack of job satisfaction

When a employee being dissatisfy with his job then he/she may decide to turnover. Job satisfaction is hardly needed for any employee for his/her productivity. Interac's employees are working harder and longer hours, but they are not getting enough facility as they are working. May be that's why they are not satisfy with their job and seeking for another job and turnover rate also increasing. These are some of the principal causes of employee

turnover which can surely be avoided by the organizations after taking some necessary steps to better their in-house services towards employees. However, there are many more causes which contribute to employee turnover; such as lack of employee motivation, work pressure, job stress, partiality and favoritism, employee egos and attitudes, poor employee management. 18Interact is leading company in the industry, due to rescission interact reduced their workforce by 20% and their leading style being more autocratic. In this situation, employees have to work hard and longer hour. So, they need extra facilities and motivation to attentive to their job.