

Peter Browning and Continental Whitecap Outline Assignment

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



Peter Browning Action Plan Richard Hoffman, the Executive Vice President, could not have been more right when he acknowledged that Peter Browning had a difficult job in front of him. It was Peter's job to revitalize a mature business in the face of serious competitive threats, but without discouraging the loyalty and morale of a family style culture. Under Continental's management, Peter Browning was faced with several issues. First and foremost, some managers as well as most employees of White Cap's were resistant to change. Many of the employees were older and had been with the company for a long time.

Additionally, employees had a tendency to bring both their friends and family on board. They had not only become accustomed to a culture of little change, but also one that consisted of years worth of rituals, ceremonies and traditions by the White family. Employees came to expect job security, generous benefits, and a management structure that was built on personal relationships rather than job performance. Because of these expectations, employees were extremely loyal. Due to this loyalty, employees did not push for a union.

They felt they were treated fairly and that pushing to unionize would sever connections between the employees and management. Rapid change by Peter Browning could run the risk of an employee uproar. Next, Browning was asked by Continental to reduce salary and administrative costs.

Continental's management saw these high costs as a weakness.

Simultaneously, he was supposed to communicate a sense of urgency of the absolute collapse of White Cap if things did not change quickly. At the same

time, Browning was to do this without disrupting the marketplace image of White Cap as well as without weakening its employee loyalty.

These changes needed to be accomplished from beneath the ranks of Art Lawson, the successor of Bob White. Bob White was the founder's son. Bob had established a multi-layered, formal, and restrained organization. This was known in the organization as "management without confrontation". Bob's beliefs were still very much a part of the employee morale and Browning was forced to preserve Bob's beliefs despite making the necessary changes. This was yet another difficult task. Following, Browning was forced to deal with White Cap's marketing team.

The team was not spending time listening to the customers about their needs nor were they addressing what was going on in the competitive marketplace. Browning saw the entire department and its management team to be a huge weakness for White Cap. In addition, Browning uncovered weaknesses in other departments. These weaknesses led to Browning's issues with members of the management team that reported to him, such as Jim Stark, Director of Marketing, and Tom Green, Manager of Human Resources. Peter Browning had a much greater need for accomplishment at White Cap as opposed to his successes at Bondware.

At Bondware, Browning was appointed to fix a business that was dying in the eyes of management. Any failures that could have occurred at Bondware would have been attributed to the natural downfall of the business and not associated with Browning. This alleviated the pressure put on him to perform

at a flawless level. On the other hand, White Cap had not only been successful for 50 years but it was Continental's number one division. The White Cap assignment was also seen as a testing period of Browning by management. Another issue that faced Peter Browning was his strong attachment to his own belief system that he tried to instill on others.

An industrial psychologist suggested that although the majority of individuals shared his ideals, there were those who held different beliefs and values and they found it difficult to relate and understand him. The issues facing White Cap as a whole were much different. White Cap's technology was falling behind that of its competitors. Competitors began cutting prices to gain market share. This made it more difficult for White Cap to compete profitably. The FDA had recently approved the use of plastic containers requiring plastic closures. As a result, many customers were beginning to adopt the use of this plastic.

White Cap was reluctant to focus their R on the development of such products because of past failures. However, if things continued as they were, White Cap would continue to lose customers. Continental's management did not believe that White Cap was aware of the speed at which the competition was beginning to steal White Cap's business. White Cap's management was blind to it due to their arrogance of being number one for such a long period of time. Although changes were necessary at White Cap, Continental itself was making serious reforms. Since the acquisition by Peter Kiewit and sons in 1984 they had sold off \$1. billion worth of businesses and cut corporate staffing tenfold. Change was happening throughout the company and

management would expect nothing less from Peter Browning. Action Plan: The first step that Peter Browning must accomplish in order to implement change is to create a vision (0 - 6 months) that White Cappers' would understand and buy into. This vision would need to combine the traditions of White Cap along with include a focus on recovering a competitive edge in the marketplace. It would require a vision that incorporated both a conceptual framework and encompass an emotional element.

Such a vision would guide the behavior of both employees and management. It would enable them to see a future state for the White Cap division. Along with this vision, a modern mission statement would be required (0 - 2 months). The mission should clearly set out specific and measurable end goals while keeping them realistic and attainable within a specific time frame. White Cap's employees had seemed to lose a sense of direction and were satisfied with their products and with themselves. Browning's vision and mission needed to spark change through top-down enforcement of the stated goals.

Browning would need to micro-manage members of his staff, such as Stark and Green, in order to get them on board. Tom Green and Jim Stark have been with White Cap for a long period and should be given time (0 - 6 months) to align with Browning's goals for the division. Failure or resistance from them, along with general employee buy in, would give him the justification and rationalization for their reassignment or dismissal. In order to enhance White Cap, Peter Browning needed to create new psychological contracts with his employees and peers (0 - 2 months).

These contracts would represent the mutual beliefs, perceptions, and informal obligations between Peter, White Cap and their employees. Peter would change the existing contract so that people felt the new contract was just an enhancement. This would transform the old mindset and replace it with a new one. It is essential that Browning also communicate to employees the current status of White Cap's vulnerabilities with its competitors (0 - 6 months). This would change the employees' assumption that White Cap would be number one forever. Creating credible signs for change is the first step in preparing the employees for change (0 -2 months).

Peter has to make market information available. This will challenge employees underlying assumption that White Cap is number one. He must also offset the loss of certainty and control what his employee's will feel (0 - 6 months). He can accomplish this by involving them in many of the change initiatives. He has to convince them that only if they work together would they be able to regain the supremacy they once had under the White family (0 - 6 months). Through effective communication and by validating his reasons he could accomplish this within the first six months. Following, a transitional change would be very important (0 - 6 months).

The first step in this transformation process would be the creation of "mini-authority" positions. By this I mean promoting top performing employees slightly above their peers in a kind of "senior" position, but keeping them under the authority of their current manager. For example: A production worker would be promoted to team leader, however would stay under the authority of their current manager. This would create a "new hire"

atmosphere and would enable management to get seniors to buy into the new change contracts. In addition, this would create information channels through a top-down effect to their new subordinates.

Management will now have outlets close to the employees so that they can communicate new expectations and commitments. The creation of a job content enhancement program (6 months - 1 year) would help create the new setting as well. Giving current employees more of an ownership role over their current functions, and getting them involved in change management of their functions, will allow them to buy into the change while being a stakeholder and a change agent in the process. A transitional change is necessary to make White Cap's evolution a success (0 - 6 months).

With the competition already utilizing advanced technologies, a developmental change would simply be too slow and too ineffective. On the other hand, a transformational or radical change would set employee morale, loyalty, and the understanding of management's agenda into a tailspin.

White Cap needs a corporate cultural change through the use of management led programs (6 months - 1 year). Training courses and brainstorming sessions with mixed levels, with top management conducting the training, will not only help communicate the changes but will bring about a sense of unity.

Browning needs to also consider the creation of a pay for performance program for those employees that can go above and beyond their call of duty (6 months - 1 year). The purpose of this objective is so that other

employees will recognize the recognition these employees are receiving and strive to perform at their level. Although there is anticipation of White Cap's employees initially meeting such programs with resentment, over time a task alignment will take place. Through the recurring change programs that employees will be part of, their attitudes will begin to follow the actions management has set in motion.

By changing the cognitive component of the employee's functions, the affective component will soon change from one of contentment to one of excitement. This will encourage employees to become proactive with change initiatives, which will lead to a change in behavior and eventually a change in attitude. Browning and White Cap must keep in mind the possibility that they have already fallen too far behind their competition and their customers may enter into contracts with others before White Cap can meet their needs. An option could be the acquisition of a firm already utilizing the plastic technology.

If an acquisition is financially unattainable a merger could be feasible. White Cap has a strong brand name and a long standing tradition of success. Smaller, lesser known, yet more technologically advanced firms would find these qualities attractive. Continental must consider its last resort options of merger or even a sell-off of White Cap. This type of transformational change should be considered a last resort for Continental because of the disastrous effect this would have on its employees. Please see attached action plan chart for a visual. Works Cited: Peter Browning and Continental WhiteCap (A). Harvard Business School