

Effectiveness and efficiency of organizational structure juicy red tomato essay

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



If we were to look back into the past, we would easily observe that the modern world, and, in the same time the means that have led the civilization towards modernity, presents many advantages which have had the role to make the daily living easier and without major concerned. One of the important aspects of modernity has certainly been the development of capitalism and, in the same time, of the modern economy, with its rules and private ownership. On the other hand, though, the modern period has been seen by many scholars as a hard one, especially for privately owned companies, which are permanently put into difficulty by competition the constantly changing market request and by the more increasing prices. Even though, many of these companies have resisted in the fields they activate and, moreover, have registered great successes.

Their secret? I do not think there is any secret, but only a well-developed marketing strategy, based on good personnel, a well-developed production line and on technological aid. A similar strategy should be recommended also to the Juicy Red Tomato Company, since it would certainly help it to pass over the rising of the costs with 2. 5-4% over the past three years. Even though, this increase of the spendings should not be seen as a threat for the well-being of the company, since greater investments in the production need to be made periodically and these higher costs may be easily covered by a greater amount of goods produced which might occur as a follow-up of a greater market request. But, as it has been argued before, in the order to have success in the field, the company should develop a prolific market strategy; and since almost each strategy always starts from within, a reevaluation of the relationship with the personnel should be made. It has

been many times concluded that the personnel is one of the most valuable resource of a company and mainly because most of the employees, if they are properly awarded, become very attached to the place where they work and are capable of making great efforts for the success of the company that pays of.

Many big companies have become aware of this fact and have advanced a new policy regarding their employees, which should also be adopted by Red Juice Tomato, since it gave successful results in cases such as Mobil 1, Wall Mart, Nestle, Coca-Cola, etc. This strategy consists in “ educating “ your own employees; practically, the company offers places to work to the students who graduate with the best results and forms them, in the sense that these youngsters are taught everything that is related to the functioning of the company. As it can be foreseen, this measure presupposes quite high investments and sometimes it might not be sure, simply because the people who are chosen might not rise to the expectations of the employers. But, once this barrier is left aside, the idea might prove to have spectacular results, and this has been proven as well, since this is usually the way in which many managers have become to occupy their current position. The above-mentioned method is most of the times practiced at the leading level of a company, as it has been mentioned before and, in this case, the investment that it presupposes might not be totally lost if the person simply proves not to be suited for a this kind of position, because he or she can be moved to another one.

On the other hand, though, the former student may prove to be ready to occupy a position in the leadership committee and in this case the investment I was talking about has not been waited. On the contrary, it would attract many gains, since a person on such kind of position and dedicated to the tasks it performs might push the company he or she works for on the scales of previously unknown successes. I consider that this is the proper way for Red Juice Tomato to develop and then maintain a strong leadership: by training and then keeping its managers. It's advantages can be manifold as well: first of all, because of the need to have a strong management team, which people are dedicated and committed to their work. Thus, a manager who has been trained by a company and has regularly been promoted from a position to another within this company is surely profoundly attached to his workplace, and there is nothing more to be desired than a leading person who uses or his or her resources for the work performed. Even though the above mentioned manner in choosing the leadership committee has not been followed several times by Juicy Red Tomato, each process of finding a good manager implies great costs.

Therefore, finding a manager and then let him go is not worth it. A better solution for the case in which the ownership is not satisfied with the person in cause would be that of developing another new training. In order to strengthen this argumentation, I might add that there are many competitors on the market which try to "steal" the personnel of a competitive association by offering to the people a bigger salary, a better position or better working conditions. Red Juice Tomato should become aware of this

possibility as well and of the potential of losing its position on the market, because one of its former managers would know it's most hidden strategy and might use them in order to make the company loose its position on the market. In other words, loosing a manager might be a weapon of self-destruction for Red Juice Tomato. I consider that the case is similar for the front-line production employees. It is need of a certain period of time and of material resources to form them and introduce them in the working-field of the company. On the other hand, as they catch-up experience, they would become accustomed with the rhythm of production imposed by Juicy Red Tomato and might even contribute to its increasing.

In addition, there has not remained any secret for them in the process of producing the goods, and, in this way, the possible mistakes can be avoided. When evaluating the front-line production personnel it should also be taken into evidence the fact that these people have usually occupied lower positions in the past and have been promoted due to their qualities. Again, these people have grown within the company and they know the entire process implied by the act of production. Therefore, another person to have such capacities and to understand so much amount of information might be hard to be found. On the contrary, I believe that the persons who are working on this type of position should be rewarded according to their merits and efficiency, meaning through a thankful salary and good working conditions. In addition, a proper awarding and the experience accumulated in their position might determine the front-line production employees to contribute to other aspects which concern the well-functioning of the

company such as establishing a better relationship between the costs and the production activity, since it has been mentioned that costs have become a real concern for the company. Thus, for them it is easy to observe the parts of the activity where the investments might be reduced and those parts which need improvements and, in this way a part of the costs might be reduced and the production line improved. Therefore it is in the benefit of the company, and of the society as well, since the only result is the profit, for the Juicy Red Tomato to keep in service its employees from the management teal and front-line production.

As even Adam Smith was contending, “ Every individual necessarily labors to render the annual revenue of the society as great as he can. He generally indeed neither intends to promote the public interest, nor knows how much he is promoting it. He intends only his own gain, and he is in this, as in many other cases, led by an invisible hand to promote an end which was no part of his intention. By pursuing his own interest he frequently promotes that of the society more effectually than when he really intends to promote it. I have never known much good done by those who affected to trade for the public good. ” In what technology is concerned, it would be advisable for the company to adapt its machines to its latest tendencies. Technology is important for each producing company, and not only, simply because it leads to the costs reduction.

This can be explained through the fact that the modern machines can replace an essential number of workers and, in addition, it does their job more properly and with smaller costs. If not replaced, the task of these

employees is released for sure, helping them to better concentrate on the other activities they have to develop. Moreover, Juicy Red Tomato's competitors certainly use the technologic means in the production process, so the company might have serious disadvantages on the market if it does not use the same method. All in all, I consider that both the stability and innovation are necessary for the juicy Red Tomato Company: stability in keeping its personnel and innovation in what technology is concerned in order to reach the perfect equilibrium between investments and gains.

Bibliography Michael KITSON and Jonathan MICHIE, "The Political Economy of Competitiveness", Routledge, 2000, 193 pp.

Adam Smith – Biography; Quotes, "The Wealth of Nations", at <http://www.blupete.com/Literature/Biographies/Philosophy/Smith.htm#Wealth>