

Approaches to organization change to be used in primark



Organization change is the process of updating the organization policies, procedures and processes according to the changes in the market location. These are required to face competition from the external forces and to utilize the market opportunities. As per the changing conditions in the markets generally organizations tries to change their managerial polices, operational practices, technology application in performing the regular tasks and other

Organizational theories

To facilitate the management process and practices in an organization several management scholars and researchers proposed theories for the development of the management and for the development of various organizations across the globe irrespective of the business type.

Scientific School of thought

FW Taylor had developed scientific theory of management to assist the growth and development of management practices during the early days of industrialization in industrial countries in Europe. He conducted study on many manufacturing companies those who were facing similar type of industrial and management problems. He conducted a brief study to identify the reasons for repeat problems in large organization and finally came up with scientific theory in management field. FW Taylor.

This theory is first of its kind in the field of management. Nobody had identified the reasons for repeat industrial disputes between the management and the workers of the organization before this theory evolution. He identified the lack of proper management principle and

ambiguity in management practices are the causing factors for disputes between the management and the workers.

Difference of opinions between the workers and management were identified because of lack of proper relationship between them. So Taylor proposed few scientific management principles for better management process in any kind of organization. This theory became helpful to several other theories that were stated after. By defining roles and responsibilities, centralization and decentralization of authority and responsibility, division of work, unity of command and unity of directions and other principles were become more popular and proven as the useful principle for managing organization effectively and efficiently.

Under development in management studies, more industrial disputes, lack of industrial harmony, industrialization are the causes for this theory evolution.

Scientific School of Human Relationship

After the scientific theory of management evolution companies started changing their management policies and practices for getting better results from the series of operations. After a group of management scholars it had been observed that for increasing performance of the organization along with other factors human resources of any organization also impact the performance and productivity of the organization. Developments in Human resources management and after the research findings, management scholars and later companies started giving importance to human resources of any organization.

Human resources of an organization cannot be neglected in any type of organization. Employees' behavior and employees satisfactions will also impact the individual performance and individual productivity every time. Employee's behavior will be generally impacted by the working conditions, motivation, job recognition, employee appraisal, employees' treatment, and organization culture and employee- manager relationship. All these factors were identified and later proposed a new theory with the importance of human resources of an organization.

Low individual productivity, employee morale decline, loyalty decline, employees satisfaction, absenteeism, employee turnover were identified as the drivers for the theory evolution.

Systems Approach

Along with other theories came during industrialization this systems approach had also developed by few management scholars. This theory was developed by keeping manufacturing industries keeping in mind. So this theory had not got wide acceptance from different parts of the industries. This approach states that by treating entire organization as a system which is made of sub systems and sub components gives better results.

This approach states that system contain mainly three components, they are

Input-Process-Output

These three parts are activities are required to complete the whole business process for conducting the business operations. By identifying the drawbacks and loopholes in the activities system can be updates and work according to

the continuous interaction with the external environment in the form of feedback. This had not become popular because of drawbacks and lack of clarity in running the management practices effectively compared other theory that was developed in the same tenure. Large group of manufacturing companies, rapid industrialization are the drivers for this theory development.

Contingency approach

For taking faster and quick decision in organization at various business practices, to solve the problem of reducing the time in taking decision, reducing the combine or group decision making in regular and during complex decision making this theory was developed to achieve the goals. In most of the business cases decision making process is the most vital and complex activity. Based on the past available data and based on the skills and qualities of the group or individual leaderships normally managers take decisions at regular intervals to run the business smoothly. This theory contingency approach states that a good leader with high level skills, managerial skills, and past experience is self sufficient to handle the managerial decision making and leadership activities to run the business smoothly.

This theory states that, to take faster and quick decision in simple and complex business issues most experienced and high level leadership qualities persons are enough to handle and carry the tasks. This theory cannot be useful in this fast growing business environment, a wrong decision by a manager at high position in an organization may generate a big loss to the company. So, most of the organizations had not adopted this approach <https://assignbuster.com/approaches-to-organization-change-to-be-used-in-primark/>

for running the organizations. Slow decision making in organization, availability of experienced managers are the drivers for this theory evolution.

1. B.

Bureaucratic organizations

Famous management scholar Max Weber had given the ideal structure of bureaucratic organizations with clear set of principle that it should have. If Organization structure is created with formal relationship between the job and positions based on the organization job and position hierarchy then that type of organization structures are useful for better and effective organization management. He believes that employee designation should be created and posts a right person after a formal training with predefined rules and regulation for performing assigned and allotted roles and responsibilities. Employees must perform his duties according to the duties that are assigned to his job while designing the job descriptions and job roles and responsibilities. This type of organization structure is more useful for conducting administration activities than management activities. Employees work under strict guidelines and procedures.

Strengths

If an organization is running according to the principle defined by Max Weber under hid bureaucratic organizations then that organisations can manage its employees. Since employees work according to the pre defined set of rules then he can does only his work and doesn't cross the limit in performing the task.

If every work in the organization is controlled and managed by the employees according to the set of rules then high level discipline can be increased.

Employees' performance and deviations in performing the work can be minimized.

Work productivity can be increased, since employees know about the roles and responsibilities that he should perform under his assigned job in the organization.

If all the activities are done by the skilled and well trained employees then it can be useful to increase the individual productivity.

In this type of organizations employee will get all legal and statutory benefits from the employers. So employees may feel more job security and feel more comfort in performing the job.

Weakness

It is very difficult to a company to define and create rules for every job and every position in a company and for every business activity, for performing regular tasks and work operations. Every time it is difficult to define set of rules. Theoretically it is difficult to create as and when required. Because according of the changing conditions employees should also change their roles and responsibilities for a better company performance.

Changing market conditions demand more activities and actions according the market performance of the company.

Though theoretically it is possible to create this type of organizations then practically it is difficult to implement the changes in the company.

Organization

Penneys stores are operating only in the Europe with 200 stores. Penneys stores of Primark are famous for producing all type of dresses to all type of age group. Demand for the dresses generally remains as a solid growth rate across the world. Irrespective of the demand and supply, irrespective of business cycles this industry grows slowly in multiple markets. Penneys products are men wear, women wear, children wear. From the date of inception Penneys expanded its market operations across the Europe continent. It limited its business operations to this region only. During the years of journey in this business Primark got wide reputation and acceptance across the nations and market. Through quality and reliable dress models Primark got good name from the market. Primark launched its new stores in many Europe nations since all the cultural and social environmental factors are similar to the other countries. Because of social, cultural, political, legal, economical and geographical factors are same and similar in many factors dressing habits of the people living in these regions looks same. So Primark is successful in improving the business opportunities in only in this region. Majorly with the similar characteristics' in these countries, primary got good advantage in expand the operation from one country to another.

1. C.

Organizational Development

Organizations can be developed in many ways. Based on the need and requirement at various points of time generally organizations adopt change. Organizations development is a continuous process which is required for transforming a company certain set of operations to another. Organizational development should be a regular action to companies to adjust themselves according to the market conditions. Organization development gives an opportunity to bring necessary changes in a company and to module itself according to the external business opportunities and threats in the market environment.

Changing people

Changing people means not completely firing the existing employees and recruiting and selecting new employees. Changing employees means adopting new changes in skills in them. In this competitive world employees of the organization should be in position to compete with the employees of the rival organization. Employees should be trained and develop them in every business aspect to make them ready for facing the competition from the market. If employees are strong and capable to handle such type of external threats and ready to face the competition and generate good performance is useful to earn more profits for the company. High level of the individual performance and productivity can be increased only through continuous employees training and development. For finding the employees that are performing poor, every company has to follow highly sophisticated HR techniques. So well designed and well framed organizational

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development process is required to get the expected results from the company activities using the effective change process management.

Changing technology

One of the best ways to change the organization according to the market conditions is changing the organization technologically. Generally organizations can generate good productive results with good technology usage in the organization. If organization is successful in changing the organization's technology for more productivity, performance, convenience, less effort then it could be useful to get the desired results for major changes in the company. Primark can utilize latest technology for making dresses at less time and comfort with high quality and less defects with it. So finding a right technology from a different source at a cheaper rate gives better results to the company.

Changing process

For generating accurate output always depends on the correct input. If a company is successful in producing a correct input then it can give better products to its customers. In the case of Primark, if it is successful finding problems in the existing business process in the company then it can generate more quality output with fewer defects. After a careful study on the existing business process, after finding the activities that are causing process delay, problems in finishing the whole process, sub process, and final process then company can change the steps in making the dress for reducing the time and defects in making. A good process should always generate good output to the company.

Changing the technology is suitable rather than changing the process and people.

3. A.

Required changes for Primark

For the Primark major changes are required in strategic decision making, a major technological change to produce dresses using the automatic production process and for reducing the manual work in stitching.

For expanding the market share of the company Primark all these major changes are required. These changes give opportunities to expand the business operations in multiple markets and also can generate more revenue from different markets.

Models adopted

Total Quality Management

TQM is the one of the most widely accepted and useful method to bring necessary change in the company. For the proposed changes in the company Primark, entire strategic decision making should be changed as per the organization future plans, organization should adopt a special category of work activities to bring the necessary changes.

TQM helps organizations to find a good procedure and action plan to take rational decisions. To expand market operations to other markets in the world, a careful and proper market analysis is required. Market forces continuously impact the business decisions at various intervals. So for making a right decision at right time, decision making process should be

redesigned in this company. To expand the market operations to the other markets, Primark should understand the dressing habits of the people in the target market. For making any major decision, first a careful market analysis is required.

TQM is useful technique to implement the change in the organization to improve quality in all business operations. TQM helps to streamline all the existing activities and processes to increase performance and productivity. TQM is also useful to produce defect free and high quality dresses using the available tools and principles in it.

TQM approach can be applied on all business activities using the TQM framework and methodology provided in it. TQM is applied on every business model, operation, and activity for getting the expected results.

For any kind of organization change should be implemented in a sequential order, entire change process implementation should be implemented in a stage wise manner. Change cannot be implemented as and when required, change is a continuous process, there are several models and methods to implement change. Change can bring a positive result to a company in every business aspect. Change cannot be done without a proper plan and model. Model selection and application during the change process implementation differs from change type in organizational development process and other factors of implementation.

2. A and 2. B

Stakeholder Analysis

Though business organization is a non living entity companies operates in between the society. Business operations and decisions majorly impact the business decisions at every stage of the company's life cycle. A right decision in a wrong time may fail to get success, and a right decision on a wrong location may also result adverse results to the company. So any business organization should work according to the changes in the market conditions. External and internal scanning is essential for taking a rational decision for each business issue.

If a company is successful in considering the impact of decision taken by management on the stakeholders of the company, then decision makers can take a rational move depending on the opinions of the stake holders. Stake holders are individuals or institutions who interact with business at various stages of the business cycle. If a major business decision is against to the interests of people in an organization or outside the organization then they may oppose to the decision to protect and secure their personal interests. If the management decision is against to increase or decrease of benefits anyone in this business world may exhibit their opinion in form of protest. A company operates on the investments' made by the investors, normally these investors influence the major business decisions for increasing the chance to earn more profits on their investments and generate more return on the investments. Though a company is a non-living entity in the society, it works and operates in the society for the society. Several internal and external market forces influence the business. Every company has to

consider the considerations of various individuals or organizations which are directly or indirectly support or depend on the company. Every company should have to conduct and perform stakeholder analysis for analyzing the opinions of the stakeholders and their support after the decision is being implemented. Without the support and assistance of stakeholders of the company it is difficult to manage the business operations smoothly and effectively.

Employees of Primark

Investors of Primark

Financial institutions like bankers, capital markets

Suppliers of the Primark

Consumers of Primark

Trading associates of Primark

Industry apex bodies

Government bodies

Research organizations

Customers, investors and Employees of the organization are influential stakeholders of the Primark.

In the present time, Primark is trying to implementing major technological advanced machines to improve the production facilities and also planning to

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expand the market operations by entering new markets. These all type of changes generally require huge amount of financial resources. In this competitive world operating in a small markets is not an easy task and not an appropriate idea in long run of the company. Generally demand for the products of any kind of business comes from the markets, where density of the populations is very high. So far Primark is operating in markets where populations and density of the population sis very low. People are trendier and always look for the new kind of dresses. If Primark is successful in entering new market then it can give good results to the company in terms of market share and profits. So Primark has to enter the markets, from where it can generate huge profits and demand for its dress materials. Instead of focusing on the European markets, if it is ready to take brave and bold step in entering Asian markets, where changing preferences in dress wearing is very slow compared to western community.

Employees of Primark generally oppose to change from the present way of working in a business process if a new technology is implemented.

Employees always prefer to work in routine way manually and sometimes automatic work process than changing to the new way operations. An immediate change or sudden change in the existing process of working impact them psychologically and may impact the productivity. So managers of the organization should explain the benefits they as major stakeholders of the organization and organization as a business entity gets before the decision is implemented. They action reduces the resistance from them.

Management of Primark should explain the advantages to the investors, that organization gets if the change is implemented and the financial benefits
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that they and organization gets then they may support the change process in all terms technologically, business process change and people change.

Management of the organization should collect the opinion from its stakeholders through several ways that are available in the company, regarding the various ways of developing the organization. Depending on the internal communication channels or using the third part assistance Primark can inject change policies in the minds of the employees and other major stakeholders. Management should seek new advices from the stakeholders May gives good ideas to the management and at the same time management can use the experts' opinion to analyze all the decisions. If management conducts the change process awareness sessions and training classes before the change process implementation and execution then stakeholders may not oppose the change, it may reduce the dissatisfaction about the company. So through proper communication mediums companies can reduce the resistance from the employees. Using the available change process implementation process and methods management of the organization can plan; analyze the factors that impact the stakeholders during and before the change process implementation. A good decision making and managing and controlling process is always required to control the resistance from the stakeholders.

3. B.

Implementation of suggested changes

Change cannot be implemented using simple process, a careful implementation structure with sequence of steps have to be followed to

achieve the desired results. If the whole changes that are proposed are implemented successfully then Primark will get several benefits. It can run its business in more effective manners. It can expand the business operations to multiple locations across the globe. Demand for the dresses has huge demand in the entire world. So if all the proposed changes in making strategic decision making, diversification and operational activities are implemented then company can get several advantages.

Costs of the Primark can be controlled while making dress material by redesigning the production process steps are at the same time it can also control over expenditure of the company at various levels.

Managers can take good decisions quickly with high quality; strategic decision making of the company can be improved with high level of integrity and good leadership quality. Entire top level management structure should be restructured to attain the given results. With the ready information availability managers can take right decisions for the development of the organization at various stages.

All these models for implementing change can be adopted based on the change method type and structure. If a company is successful in providing a right solution for the identified problem in a company then it can give better results to the company. Once these proposed changes are implemented then Primark will get several benefits

Outcomes after implementing the suggested changes

Size of the market increase to conduct business in multiple locations.

Entering new markets gives, particularly developing countries gives good chance to build good market base and customer base.

Profits of the company can be increase with the propose changes

Customer base can be increased

Successful brands and dress models in one market can be useful to catch the market eye in new markets.

Business opportunities can be increased at a faster pace.

Market opportunities can be utilized to increase the business opportunities.

Wealth to the investors can be created.

Return on the investors' investments can be increased.

Conclusion

Organizations change is necessary for Primark, UK for updating its managerial policies and develop organization in every business aspect.

Organizational development helps to change the performance and productivity of Primark and help to attain the goals and objectivities as planned. If all the recommended solutions are considered for organization change then it can be useful for better results in utilizing various market opportunities.