

Issues in alignment of organizational strategies

Business



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Case study: Issues in alignment of organizational strategies and HER strategies Table of Contents Introduction Questions and answers Page# 3 A Shaky bridge (An uncertain plan) 4 Conclusions References 5 6 Introduction: The advent of globalization has diversified the work force and increased its cultural differences in many companies across the globe. Publication of information on these trends has led to calls for effective management of diversity in organizations, and observers have advised that unless corporation start managing diversity, they will find themselves at a competitive disadvantage (Copeland 1988;

Nelson 1988; Schmidt, 1988). Moreover, invoking what might be termed the “ Value-in- diversity hypothesis,” some writers have stated that, when properly used, cultural diversity in the work forces bring value to the organization and ultimately improves their performance.

They have emphasized that managing diversity is an economic issue as well as legal & social concern. (Copeland, 1988; Cox& Blake, 1991; Est., 1988; Soda & Bailer, 1983) The case is about SAA pharmacy Limited, a Malaysian company started by Mr.. Uruguayan an Indo-Malaysian in 1991.

The SAA Pharmacy limited irked on the alliance and merchandise with Stop and shop which is an existing department store in various cities in Malaysia in the earlier days.

Mr.. Uruguayan strategically recruited HER from Australia, New Zealand, India, Philippines and Malaysia based on cost of employees and skills available. Employees from Australia and New Zealand are at strategic positions, Indians in second level of hierarchy, Philippines are appointed as

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pharmacist and branch managers, and finally Malaysian in equal positions of Philippines. The company provides salaries incentives etc.

Eased on hierarchy and national expatriate basis. Despite of modern HER techniques applied by the CEO, employees from different nationalities felt discriminated. So, a work force with diversified nationalities and a level of cultural differences resulting in issues is the case about. Questions and answers: 1) What is the misalignment among company strategies, HER strategies and cultural issues? A) Mr.. Uruguayan strategically employed people from various countries based on cost of employees and skills available from various countries.

It is also mentioned in the case study that Mr..

Uruguayan adapts most modern techniques of Human source management. When the employees feels like there is a discrimination on culture and nationality, management should have the potential to bring out the best from the employees and end discrimination and be ethical. When the work is almost salary teen ten employees' salaries Ana Detentes snouts also De salary.

Company policy is to pay employees on their designation as mentioned in the case study, so according to the skill set and experience all the nationality employees should be given opportunity to take responsibility.

This will also reduce the cost since employees from other nations can be replaced by local employees with same skill set and experience. 2) Can you identify any problem in sourcing the employees from different countries? A)

The company provides salaries incentives etc. On hierarchy and national expatriate basis. This led to a feeling of discrimination among the employees from Malaysia and Philippines. The employees of Malaysia, particularly pharmacists, feel that they are discriminated and paid less even though they do the same job like the pharmacists from Philippines.

On the other hand, Philippines have a strong feeling that they are also discriminated against Indian employees.

They contribute the lions' share of profit to the company as pharmacists. While all the other employees believe that salaries are not based on the nationality of the employees, but based on the significance of duties. Mr. Arranging despite of the modern HR techniques that he uses, couldn't have this problem solved.

3) What would be the possible measure to solve the problem of the company? A) The following measures can be taken to solve the problem: Mr.

Arranging should make the employees understand that all the departments and functions of the organization are equally important. SSP should hire more local employees with required skill sets in better designations. Care should be taken regarding employee motivation with some awards and rewards for the employees with best performances. Promotions and hikes should be considered with respect to the experience of the employees.

Shaky bridge: Mr. Arranging started the company in 1991 implies that he has very good experience in recruiting human resource.

There is no need for him to cross any shaky bridges and can handle the alignment issue in the work force. Motivating the employees to be more focused on their Job is an option but the fact remains the same that cultural differences will exist. Moreover, increasing incentives, hikes in salaries etc will increase the cost for the company.

Considering the ability of Mr.. Arranging to recruit, SAA pharmacy can play a gamble with the employees which might work in their favor to solve the issue. Case study mentions that the employees are concerned about the differences in their nationality and salaries of other employees.

This is a clear indication that the employees are not completely focused.

Every employee should work under common interest of the organization. Salary differences should not be a problem for the employees as they have to understand it increases the attractiveness of the company to recruit globally. So, from the given situation, the following questions arise: 1) Is SAA Pharmacy limited paying to international employees more when they can have local employees with same skill set for a lower expense? 2) Promotions, hikes etc. Used for motivation At ten employees can be compensated Day ten Increasing pronto next quarter?) Can SAA Pharmacy take an advantage of the differences in the work force? In the work force, Mr.. Arranging will have employees that are creating the issue and employees that get influenced by such employees.

Depending on the performance of the employees Mr.. Arranging can lay off a few employees and increase the responsibilities of the other employees. This will make the employees more focused on their Jobs and stop poking their

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noses in other employees' affairs. Employees complaining that the company is not reaching their expectation, the company can turn the tables by increasing the expectations on the employees.

As Mr..

Arranging as good communication with the employees he can clearly mention this an opportunity to prove their skills and worth to get more benefits. If possible, company can mix and match the responsibilities of the employees and can conduct training programs to improve the skill set. Training programs for the employees to handle different responsibilities will not only improve the skill set of the employees but as the employees get to know the other employees Job, they will understand that lions and deer are equally important in a food chain.

Applying this change can be a success or a failure depending on the skill of Mr..

Arranging and the level of commitment and efforts of the employees. Mr..

Arranging should lead them with an example by increasing his interaction with the employees and show that he is working as hard as all the other employees are. If the change is a success and the employees manage to reach the expectations then the company can give the promised benefits which can be compensated by other international employees as the company has local employees with the skill set and no longer need services of the international employees. If the change applied is a failure, at the very first alarm, Mr..

Arranging should line up employees to balance the work force.

In this case, it will be practically proven that the employees are not as worthy as they claim to be. Getting back the former employees will also increase the good will of the company. This is an unguarded change that can solve the issue and the company can choose not to take the risk. But crossing a shaking bridge is always uncertain and its completely Mr..

Remonstrant's call since a person don't know what lies ahead of the bridge.

Conclusion: In the workplace, and from a business perspective, having a diverse workforce is no monger a question.

The world is interconnected and due to the huge advances in international travel and communication, people easily move and work across borders. Humans and the potential they possess drive an organization. The advantages of a diversified work force like Innovation, talent pools etc will be effective when issues like conflicts, disunity, bureaucracy etc are handle effectively.

This can be assured by considering the following points: 1 . Recognize & welcome cultural differences 2. Adapt to new hires instead of enforcing the traditional corporate culture on them 3. Communicate and understand differences.