

# Leading managing and developing people in the workplace



**ASSIGN  
BUSTER**

## **Executive Summary**

The changes into the economic crisis and the credit crunch problem lead to many organizations to restructure their system of operations. Bankco is from banking sector facing the problem of industry changes. This report emphasis on issue in regards to leading Managing and Developing Peoples on work place.

The key issues and impacts raised in this report is how the external and internal business environment affects the performance, and strategic Direction of Bankco. Consider as the internal perspective of Bankco this report evaluates the learning and development aspects of workforce and why it is so critical towards the future of Bankco.

The points raised into the report are related with policy and procedure adopted by Bankco in Human Resource Department. The urgency of Bankco in application towards the new policy and process. Employee morale and motivation is low due to the labour cuts and changes into the industry.

The important role of staff unions and the role of line managers working on behalf of Human Resource Department. Bankco is replacing the evaluation method on performance based system which is mandatory for both the managers and the clerical grades.

## **Introduction**

Bankco have to change its Human Resource Policy from hiring the staff till the retention of the staff. Bankco also need to redesign its direction and

strategies to compete in the changed industry with greater delivery of deal to its customers.

The purpose of this report is to critically analyse the internal and external forces affecting the business of Bankco. The perspective influencing the structure and strategic direction of the Bankco and its workforce. Bankco like other financial institutions have paternalistic human resource policy, which really focus on the single career structure of the workforce.

The changes in the Banking Industry, change in the social life of customer and the internal and external pressure on the business are beyond the control of the business. However, it is related to the Bankco itself how will the management is able to adopt these changes.

The Michigan Model Fombrun et al (1984)

Fombrun created Michigan Model which analyse the current position of the internal and external environment of Bankco. Because with out knowing the impact of environment. Bankco can't respond to the changes in the industry. According to the scenario the economic and financial situation is putting a pressure on Banks to redesign its high risk sales culture. Foley, Jayewardhene (2000) the changes into regulatory reforms will have a greatest impact on banking industry throughout next decade.

On contrary, the Banking sector is playing safely under new regulatory system where the system is pushing them to operate like a flexible institutions. This is how they are minimising the risk of failure.

The Michigan Model emphasis on the manners required to deal with the peoples. Because they are the most valuable asset of the organization and must be obtained as cheaply as possible like raw material and inventory of any manufacturing company. The cultural according to the current scenario of Bankco is like most of the financial institutes are offering the same kind of products and services so the issue is how to manage the quality of the staff and the service they are providing to the customers.

The culture of Bankco is distinctive because of the manager they have got are drawn from outside the banking industry. Style of management and organization direction is changed due to the implication of banking domain. Gentle (1993), institutions are facing the challenge of having the right staff with the right skills, investment in technology and branch networks. So over all the scenario of the external environment is very diversified because of the regulatory pressure and the economic crunch.

Looking into the internal aspects of the organization, Bankco mission is to offer more distinctive products and services because most of the financial institutes are offering the similar services. Bankco have 250 branches nationwide, the mission is to distribute the banking service across the England. This is because the financial market has fuelled and the extensive branch network has enabled Bankco to capture Market share. Foley, Jayewardhene (2000) " Therefore the spatial element is central to current delivery strategies. Such a structure allows these institutions to provide homogeneous products and services at the cost of a large number of staff with high fixed and variable costs."

The structure of Human Resource Department has moved from the Head Quarters to the line managers. The new policy of cutting has enabled Bankco to cut its cost by downsizing. The other important issue of the Human Resource department is to keep the motivation and morale of the staff high.

The Harvard Model of Human Resource Management: Beer et al (1984)

According to the Harvard Model of Human Resource Management, The main concern of Bankco is to reshape the relationship with the union. For this vary purpose the management designed the new communication policy to clear the aspects with the employee rather letting the union to be the source of communication. However the Human Resource Strategy is to introduce the point based new performance appraisals system.

The HRM policy is to minimise the conflicts with the employee and unions which could lead to the possible effects on the motivation of the staff. The outcomes of the new system are, customers complaints have increased and the employees are thinking that management is taking them back to the old practice. However the bank is successful towards cutting its labour costs. But overall the long term perspective on Bankco is cynicism.

Why do Organization Invest in Workforce: Pedlar et al (1997)

How Bankco can learn and develop to achieve learning and development attitude to re-emerge from financial crunch. The idea is why organization invests into workforce. Here are few key aspects. The above outlined are the key aspects why organization invest on learning and development. Looking at the current scenario of Bankco. There is a competitive pressure on them

<https://assignbuster.com/leading-managing-and-developing-people-in-the-workplace/>

because most of the financial bodies are offering the same products and services. The culture of all the organizations is changing due to the industry changes.

Bankco have to sustain its corporate image as well, because it has 250 branches all over England. AS Bankco have introduced most of the policies and procedure newly into organization so the customer complains about the quality of service they are offering required Bankco to invest on training. Lidhari and Ines and Morales (2010) “ providing superior service quality enhances customer satisfaction and contributes to profitability. Superior service quality lowers customer defection, enhances customer loyalty, provides opportunities for cross-selling, increases word-of-mouth recommendation, and enhances corporate image”. Looking at the scenario of Bankco how the learning process can be initiated and developed into the staff of Bankco

The Learning Cycle Model: Kolb (1984)

The situation in Bankco can be assessed with the help of Kolb learning cycles. There are currently four learning stages into Bankco. Management of Bankco is managing at the stage of concrete experience and thus it is providing then a base for the observation and reflection from the result of poor staff performance. Bankco management have introduced new policies, looking at the performance of the employee. This can be asses using the key stage of abstract concepts. Human Resource Department is taking the organization into a new paradigm of management. Though the managers are

feeling it like they are taking them back to the old style rules and regulated working. This stage can be assessed on the stage of actively tested.

#### Change Readiness Model: Susanto A. B

Bankco itself how much ready to change is, the Change readiness Model is used to critically analyse the performance of Bankco Management, Staff and its line Managers. The impact of industry change is effecting the position of Bankco. Especially the new trend into the industry needs the competent workforce which must be flexible to change. According to the scenario Bankco hired the staff outside the Banking domain. Most of them are professional in Accounting, Marketing, and Personnel. The problem here arises the change has been managed from top to Bottom. As the senior management emphasise on more positive approach to managing employee as a key asset to Bankco. On the other hand the Staff and Branch Manager are reluctant to change and their commitment to change is low. As a result complains from the customers are increasing. So we can say that the Staff of Bankco is not committed to the work.

The mission and vision of Bankco is clear to re-emerge from the current financial crisis. But due to the change into the policy and procedure of Bankco. The Staff morale is negatively affected. The point to be considered is like staff doesn't have the clear vision. The overall performance is increased customers complains, urgency to implement changes, staff morale is down, managers commitment is poor.

#### Downward Communication: Marchington (1992)

The current communication practice at Bankco is Downward. Looking at the current scenario of Bankco. The management is changing the policies and procedures and they are willing to change as shown by the readiness to change model.

The core aspect of downward communication is to educate and train staff with the new plan and procedures introduced by the management. However in Bankco, the management is going so fast but the staffs are not getting into the process of change. On contrary we can see that there is no commitment from the line managers and the staff towards the work. The problem of communication in Bankco is like there is no such good technique used to deliver the message from the management to the workforce that what management wants.

The scenario shows that Bankco have replaced the new system of evaluation for both managers and the clerical staff. Secondly the Human Resource Responsibilities are shifted to the line managers. Bankco have introduced new disciplinary policy, in which they are successful to cut the labour cost. But is this communicated before to the staff, and now there is no job security so there is not commitment to work and employee morale is low.

In downward communication, there are proper techniques which can be used. Bankco no matter used the team briefing method but it was to get rid of the union pressure, but what about the individuals. The other techniques could be used like, employee reports, informal communication between top management and the line managers. Proper Bankco Journal which could be published monthly or weekly about the financial statistics of the company.



A communication model of employee cynicism toward organizational change:  
Daniels, Qian (2008)

The results of poor communication from management and from line managers have resulted into employee and customer apathy, cynicism and obstruction. The Bankco's cynicism can be shown into below mention model.

Analysing Bankco on the suggested model we can say that information and relation is an input to the process of change and reduce cynicism which could lead to the change of Bankco. Looking at the current scenario of Bankco, There is only team briefing going on which is to deal with the problem of Unions and the only step is taken to transfer the responsibilities of HR issue to the line manager have solved the issue of decision making to the work floor where the union was not strong.

The point of argument is where is the proper communication with the line manager, so that they can show some kind of commitment to the staff. Looking at the above model the rational context of input which staff is getting from is colleague cynicism and trust in management which is low by the introduction of new policies and code of conduct, resulted into labour cuts. This input as a whole result into the specific change required by Bankco, which lead to the staff resistance to change. The other issue of resistance to change is performance based evaluation, the staff really consider if we will change to new process then our initial performance will not be up to mark. This could result into termination from employment. So these are the critical point on which Bankco should emphasis before implementing the change process.

### The strategic employee communication model: Barret (2002)

The practices can only be improved by proper communication from top management to bottom including the line manager and the feedback should be taken from bottom to top. Considering the strategic objectives of the Bankco the model clearly shows how the best communication could be achieved.

### The AMO Model: Purcell et al (2003)

The role of line manager is very critical in Bankco environment. The first implication is line managers are responsible for HR issues, Bankco made these changes to shift the decision making from union head office function to the work floor. The senior management is at the aim to relate the staff with the commitment and identification with the increased cooperation in Bankco.

The importance of line manager is important in respect to the performance of the employee. The Ability, Motivation, and opportunity model emphasis on the role of line manager and their importance. The relationship of line manager and HRM can only be shown by the positive assessment of HR practices in organization. Henry and Jordon (2008). The basic objective of HRM is to recruit, train and retain the best skilled peoples in Bankco. But as I mentioned earlier they are following the tradition approach to HR. and now they have transferred the HR issue to the line managers.

The line manager as the role is clear from the above model is the key player whose management style is different then the HR perspective. Line manager is the only person who gives the opportunity to the staff to perform well in

Bankco. Line manager use to motivate them to get out the best of their job if they have got ability and skills.

Human resource department job is only to bring the best pool of peoples in Bankco it's the line managers who are playing the best role in 250 branches across UK. So in order to retain the best peoples in Bankco Branch Managers are important because they are the only people who are directly interacting and motivation people on work floor.

In current scenario of Bankco, Branch manager are leading managing and developing people to perform their best. Due to changes in industry Bankco is facing the problem with the commitment and motivation.

Line managers are critical because of the role they have got is like leading the staff according to the standards of Bankco. The performance of overall organization sustain on the role of the line managers, in scenario of Bankco.

The front line managers in the Branches have critical role according to this model if they are satisfied with their job and committed to present only then the rest of the staff will get the high morale of job.

Engaging Leadership Model: Shaping Future engaging leadership CIPD (2010)

Line manager really act like leaders while working with their subordinates. The above model shows that how line manger take the whole of staff with them selves to accomplish the organizational vision. The aspect in engaging the individuals to the job is to show them the genuine concern and share the mission of the organization. The other aspects included into engaging the <https://assignbuster.com/leading-managing-and-developing-people-in-the-workplace/>

individuals are being accessible and flexible into the role they are performing. The best way to get the feedback from the co workers or the subordinates is to encourage questioning.

The second step in leading for line managers is engaging the organisation. This mainly includes inspiring other team members; this could be Bankco staff working in head quarters. The idea behind the successful towards the vision of Bankco is to consider Bankco as a team and then focus on the performance of overall organization this lead to a change in the current practice of Bankco. The development of Bankco is important. Once the staffs are ready to change then the organization could lead towards the development according to the change into industry.

Looking at the current scenario of Bankco, personal qualities and core values are the key aspects which realty impact on the performance and capability of other subordinates. This mainly includes the honesty towards achieving the shared goal of organization. If the line manager is not honest then whole of the team will take the advantage not to perform according to the desired standards of Bankco.

Considering Ability, Motivation and Opportunity model in brief the “ black box” concept evolves around every employee who has got the skill the only thing is the opportunity. In case of Bankco they have got the opportunity but the external pressure of economic forces and the internal pressure of Human Resource policies have changed their mind to defend their jobs rather then to perform their job really well.

The motive of the business is to remain profitable, but in other scenario they have to perform all the activities ethically. According to engaging leadership model the line manger is responsible for moving the team forward together with the shared vision and mission of the organization. This mainly includes networking, sharing vision of Bankco, Solving complex problems of staff and facilitating change.

## **Summary Conclusion**

Leading managing and developing people on work place is not as simple as it is written in the books. Bankco a large organization having large operations is with all those organizations which are facing the problem of economic crisis and credit crunch. What is the reason why Bankco is not competing into the market where rest of the players are offering the similar products with the same services and surviving successfully?

Machines are important to the operations of organization, but the men standing behind the machines are the most valuable assets to the organization. These reports analyses and stimulate the aspects which Bankco is facing. The only problem they have is external pressure of changing the high risky sale culture and managing the staff to meet the customer demands.

Leading and managing people at work place can contribute to the work place be achieving the desired standards of managing people. The only limitations to reach at desired level is the willingness of the staff, particularly the managers, and the clerical staff of Bankco.

## **Recommendations:**

### **ACTION**

### **RESPONSIBILITY**

### **TIMEFRAME**

### **BENEFITS**

### **BARRIERS**

### **COSTS**

Change in the HR policy

Top management

First Quarter of a year ( Three Months)

The overall restructure in organizational strategy and HR strategy

The reluctance to change in the practices, financial health of Bankco.

Low cost is required, because the practices need to be changed.

Training and Development Campaign

Human Resource Department

Based on Selection methods

The scope of Bankco will improve and commitment of employee, their job security and employee retention for Bankco will be easy.

The existed training and Development programmes they have, which are sales oriented, secondly the cost involve to change the over all plan or Training in Bankco.

Heavy cost is required.

Relationship with union

Management

Long term

The relationship with union must be strong in order to achieve the full commitment from the staff of Bankco. Because it will lessen the power of union in Bankco.

The new policy and procedure of labour cuts will effect on union relationship.

High.

Customer Complains and employee morale towards Bankco Success

Management and line managers

Long term

Besides the Bankco new policies and the external pressure the line manger must ensure the good delivery of deal to customers. And try to minimise the complains

The labour cut policy and performance based evaluation system.

High.