

Essay on problem solution: interclean, inc.



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Introduction

In today's world increasing competition, changing customer needs, the global economy and pressure from stakeholders have created many challenges for InterClean, Inc. (InterClean). Using a defined problem-solving technique such as the one used at the University of Phoenix will help InterClean understand the situations that lead to the problem; analysis of the challenges and opportunities which leads to a much better understanding of the problem through logical analysis of alternative solutions and finally to a decision. Furthermore, evaluation of the end results against stated goals will help InterClean management realize the effectiveness of the solutions. Understanding the situation is critical in moving toward making a decision.

Situation Analysis

Issue and Opportunity Identification

InterClean is an established institutional and industrial cleaning and sanitation company in an industry where stakeholders are demanding more.

Here are some key facts:

1. Customers are looking for total solutions including products and services that will reduce their costs and concerns with cleaning and sanitation. Furthermore customers are demanding product training, monitoring, information sharing and full-service cleaning. The roll-out of which is on an aggressive timeline.
2. The current sales force does not have the " Solution Selling" skills required to sell the new products and services.

3. InterClean has acquired EnviroTech, Inc. (EnviroTech) who has the products, services and selling skills InterClean desires.
4. InterClean's CEO inherited the business. He is driven, competitive and a risk-taker.
5. InterClean is interested in expanding into Global markets.

The President and CEO of InterClean, Inc., David Spencer has announced a bold strategic change to grow his company and be a market leader in a new systems based sales of cleaning products and services. In a memo written about a new strategic direction to all the InterClean employees it was announced that in six months a media blitz will begin to publicly advertise this new strategy.

The commitment needed to change the management process should have been planned before this strategy was implemented. The two main departments, the sales force, and HR were never approached by David Spencer prior to the company announcement. The two departments were informed by memo at the same time as all the employees.

There are five issues that need to be addressed before this strategy can be achieved. They are as follows:

1. Training and Development-the skills and competency of the existing employees of InterClean and the acquired employees of EnviroTech.
2. HR Skills Sets and Gap Analysis-HR has not set a strategy for dealing with the results of the assessment of skill sets or decided what further skills are needed to perform this new strategy. A budget for this training was only mentioned as being tight with no concrete figures.

3. Organization Restructuring-Lack of a plan to merge the two sales forces, job assignments not clarified, and two CEO's with two agendas.
4. Selection and Recruitment-There is no current policy for recruiting in place. There has not been a determination of the qualifications and skills needed for the new sales force strategies, and the current HR department lacks expertise in this field.
5. Forecasting Future Sales and Profitability- InterClean has not forecasted the impact of this new direction with hard figures, only to say an increase of 40% is desired. There has been no mention of the amount of people needed for this operation to be successful.

Stakeholder Perspectives/Ethical Dilemmas

David Spencer, President and CEO of InterClean Inc. - Some of the values that David has includes being very ambitious, competitive, and a risk taker. One of the dilemmas that David has is because of his aggressiveness he made a strategic direction change in selling strategies without consulting other stakeholders.

Sally Lindley, CEO of EnviroTech, has a dilemma of having insider information of political connections; this might lead to unethical behaviors when lobbying for the cleaning industry. Janet Durham, VP of Human Resources has the dilemma of having a bias for the InterClean employees, and this might make Janet not look objective enough when it comes to choosing the best people for the job.

Tom Jennings, VP of Marketing, his dilemma lies in having a close and long relationship with Mr. Spencer, and might not state his objective opinions when it comes to MR. Spencer's direction. The employees also have a <https://assignbuster.com/essay-on-problem-solution-interclean-inc/>

dilemma of not sabotaging the training and development of new and acquired sales people, spreading rumors, and aiding in the decline of employee morale.

InterClean faces multiple stakeholders. From executives, employees, customers, and regulators, each one has his or her own interests, rights and values and presents ethical dilemmas. Table 2 describes each stakeholder, his or her interests/rights/values and the ethical dilemmas facing the company as a result of each stakeholders' point of view.

Once InterClean's situation is reviewed and the challenges and opportunities studied, defining the problem is the next step.

Problem Statement

InterClean will become a market leader in the sanitation industry, by utilizing a solution-based sales force, which strives to be the best sanitation company in the industry. InterClean needs to develop and implement an integration plan and human resource management system to face changing customer needs and new government regulations.

End-State Vision

InterClean will achieve 100% increase in sales revenue, within one year. InterClean, will be the market leader within six months. Customer satisfaction will increase to above 90% or better after one year. Third party surveys show InterClean leading the industry in customer satisfaction. InterClean, Inc. will increase revenues by 40% by providing solutions to customer's needs. InterClean will develop and implement a human resources management system that support the changes in the industry and customer

needs and will build a highly-skilled talent pool that is unique to the requirements of InterClean.

Alternative Solutions

InterClean must spend the time to develop a prioritized skills matrix when hiring sales representatives in order to recruit and select the candidates that will help them meet the company's end-state goals.

Alternative A: Develop a skills matrix for the hiring of sales representatives that will aid in the recruitment and selection of new employees.

InterClean should assure that the person running the department is behind the new philosophies of the company. Furthermore, a gap analysis should be completed and a training plan developed for each sales rep that individually assures the sales rep's success.

Alternative B: Perform a gap analysis on current employees and develop a custom training plan to bring those employees to the skill level required for success and/or an exit strategy for those employees who do not meet the minimum requirements of the job.

Alternative C : Determine the best organizational structure to support the solution selling and delivery of the new full-service, industry-specific products.

InterClean needs to immerse themselves in the industries they plan to work within and develop training programs to help sales reps understand the industry, the regulations and the challenges facing customers. Sales reps need to learn about the products so they can apply their knowledge to help solve the customer's pain.

Alternative D: Develop a training plan that immerses the sales reps in the industry, regulations and products to help them solve customer's pain.

InterClean needs to develop a reward system that drives the sales reps to sell a solution that meets the customer's needs.

Alternative E: Develop a reward system for sales reps that influences them to use solution selling techniques and provide the solution that meets the customer's needs.

Analysis of Alternative Solutions

Each of the alternative solutions will meet some of InterClean's end-state goals. Table 3 summarizes the goals and weighs the goals against each alternative using a weighted grading scale. Based on the analysis of the alternatives and how the alternatives measure up against the company's goals, InterClean should further investigate the combination of Alternatives C and B to determine the best organizational structure to support the solution selling and delivery of the new full-service, industry-specific products and to perform a gap analysis on current employees and develop a custom training plan to bring employees to the skill level required for success.

Risk Assessment and Mitigation Techniques

InterClean must address the risks and determine ways to mitigate each risk should the outcome occur. Table 4 describes each alternative, the risks associated with each alternative, the consequences foreseen if the risk should happen and ways to mitigate each risk. A full risk assessment will help InterClean prepare for all possibilities and take action if necessary.

InterClean management will have to face the risks of employee anxiety with organizational changes and the skill sets that employees will be required to learn in order to remain employed with the company. There are many creative ways to mitigate these risks such as using a pilot program and communicating with employees. In addition, InterClean will have to mitigate the risk of not making the correct organizational changes. If they do not organize properly customers will become frustrated and leave.

Optimal Solution

Develop a New Organizational Structure

The new organizational structure will support the solution selling model and in addition will support the industry specific products and services that InterClean has decided to deliver thus satisfying the company stakeholders. When determining the company's organizational structure it is important to determine whether the company is internally or externally oriented and whether the company is a defender, prospector or analyzer firm (Dreher & Dougherty, Ch. 5, p. 102-103). InterClean is externally oriented and due to the CEO's risk taking nature, aspires to become a prospector organization - innovating the market with turn-key, total/customized solutions for customers in their industries.

InterClean will "systematically manage the turnover process by continually downsizing and restructuring" (Dreher & Dougherty, Ch. 3, p. 59). They will "aggressively work to retain only those employees who are top performers or who possess a critical set of skills and abilities" (Dreher & Dougherty, Ch. 3, p. 59).

InterClean needs to determine whether to organize by products or industry or create a matrix organization to satisfy customer needs. " Matrix structures are effective when coordination and control are important." (Ulrich & Brockbank, 2005). InterClean should develop a matrix organization so that Product Specialists can work together with Industry Specialists to develop a custom solution for the customer. The new organizational structure will support the type of human capital organization necessary to support the business strategy.

Perform a Gap Analysis to Develop a Custom Training Plan

" In today's business environment, skill inventories are becoming more commonplace because the technology needed to create and update such systems is now readily available." (Dreher & Dougherty, ref. Ch. 3, p. 59-60).

" Employee education level and type, information about past work experiences and assignments, performance appraisal data, information about career objectives and preferences for assignments and geographical placement" (Dreher & Dougherty, Ch. 3, p. 61) will be gathered and stored in an electronic human resources database. The database will be used when new positions open so that the company can determine whether they have internal employees with the skills desired. The database will become an essential tool in the succession planning process." (Dreher & Dougherty, ref. Ch. 3, p. 61).

In addition, InterClean will use the skills database to develop a customized training program for the employees so that each employee will obtain the talent required for performing his or her job functions. Product specialists will be given intensive training in the use and benefits of the products. Industry

specialists will be immersed in all aspects of their industry specialty so that they can learn the specific needs of that industry and work with the product specialists in the development of customized solutions for each customer.

Implementation Plan

InterClean will implement the combination solution of restructuring the company and performing a gap analysis for the development of custom training. Tables 5a and 5b detail the implementation plan for each solution. InterClean will use typical project management techniques to implement the two projects. " Project management includes developing a project plan, which includes defining project goals and objectives, specifying tasks or how goals will be achieved, what resources are need, and associating budgets and timelines for completion.

It also includes implementing the project plan, along with careful controls to stay on the " critical path", that is, to ensure the plan is being managed according to plan. Project management usually follows major phases (with various titles for these phases), including feasibility study, project planning, implementation, evaluation and support/maintenance." (McNamara, 1999).

Evaluation of Results

Five years from today InterClean will evaluate the results of the two projects. InterClean will achieve 100% increase in sales revenue, within one year. InterClean, will be the market leader within six months. Customer satisfaction will increase to above 90% or better after one year. Third party surveys show InterClean leading the industry in customer satisfaction. Table 6 details the measurement of the results against the end-state goals.

Conclusion

InterClean has the opportunity to improve the human resources management system to meet the growing and changing needs of the industry and customers. Reorganizing after the acquisition of EnviroTech is particularly important in order to meet the challenges of turn-key, full-service, industry-specific product offerings. In order to re-organize it is important that InterClean assess the talent pool within the company and develop a plan to train current employees in their new positions and/or hire new employees. Only then can they meet their end-state goals and satisfy stakeholders' requirements.

Whenever a company changes directions everybody involved needs to be informed. The most successful companies like GE have a change management policy in place and a culture that accepts change as an every day occurrence. A great training and development policy insures that promotions will be based on skill and competency and not just to fill the gap with anybody. InterClean also needs to sustain a competitive advantage that is valuable, rare, inimitable, and not substitutable. This will insure that InterClean remains profitable in the future and the market leader.

References

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Table 1

Issue and Opportunity Identification

Issue	Opportunity	Reference to Specific Course Concept (Include citation)
Customers are demanding products and services that are different from what InterClean has provided in the past.	InterClean needs to identify early trends and quickly plan to meet the challenges of changes in the industry. Dreher & Dougherty (2001, ref. Ch. 5, pg 102-104)	
InterClean sales reps	InterClean needs to take advantage of	

do not have the Solution Selling skills, in-depth knowledge of the industry requirements and legal standards required.

the HRM approaches of:

- Organizational Capability acquired from EnviroTech;
- Organizing for Success by restructuring the organization to better suit the Solution Selling business model
- Effective People Management in order to meet their future goals.

Dreher & Dougherty (2001, ref. Ch. 1, pg 4-5)

The current organizational structure of InterClean and EnviroTech does not support the new products and service lines.

InterClean needs to properly plan to effectively manage the people assets of the company by hiring employees with the correct skills and attitude, rewarding employees with proper incentives, training and skill development, cross-training, giving ownership and breaking down class barriers. Dreher & Dougherty (2001, ref. Ch. 1, pg 6-8)

The culture’s of InterClean and

In order to sustain competitive advantage, InterClean needs to

“ Proper attention to people flow

EnviroTech will cause many clashes and make integration difficult.

understand the value of HR, treat employees as the rare resources they are, develop a HR system that is unique and useful only to InterClean and develop non-substitutable resources. Dreher & Dougherty (2001, ref. Ch. 8, pg 168-170)

ensures the availability of the talent the organization needs to accomplish its strategy.” (Ulrich & Brockbank, 2005, p20).

InterClean does not have the organizational structure to assure that the right talent is addressing customer’s needs.

InterClean needs to develop a new organizational structure to support the new products and services that will lead to further growth. (Ulrich & Brockbank, 2005).

Table 2

Stakeholder Perspectives

Stakeholder Perspectives

Stakeholder Groups	The Interests, Rights, and Values of Each Group
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Executives versus Employees	Executives have an interest in
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the success of the company.

Expansion into new markets, development of new products and services will all advance the company into the next decade.

Executives have the right to expect that the employees will carry out the assignments to the best abilities, think creatively and will build the company's legacy.

The dance of constantly balancing the need to change sales strategies versus the commitment to human capital can lead to unethical behavior.

Expansion may require changing human resource needs which means the company no longer values the skills of some of their employees. What do with these employees presents an ethical dilemma. Should the company move, layoff, retrain employees?

The decision is based on the

executive management of the company and often differs from the needs of the employees.

Customers have an interest in the longevity of the company because switching providers is timely and costly.

Customers have the right to products and services that meet their needs and the ability to voice their needs to their providers.

Customers versus Sales Reps

Customers can be fickle when voicing their requirements. InterClean must determine whether customers are just asking for too much or whether their requests are an industry trend. Sometimes customers will ask for anything just to see if their supplier will do what they want.

Regulators versus Company Executives

Regulators are interested in safety. Safety for people using

sanitation products and living or working near hazardous materials. Environmental regulators as well as OSHA have an interest in companies providing sanitation services to all industries.

Regulators have a right to expect companies to learn about regulations, establish standards and follow all guidelines and laws. In Tallahassee, Florida there are several bills before the House and Senate where the sponsors' original aim is to establish a stronger sense of ethics and independence of the Public Service Commission (Rushing, 2005). Regulators are often under-paid and can be influenced by those who are unethical by accepting bribes to bend the rules.

Risk Assessment and Mitigation Techniques

Risk Assessment and Mitigation Techniques

Alternative Solution	Risks and Probability	Consequence and Severity	Mitigation Techniques
Determine the best organizational structure to support the solution selling and delivery of the new full-service, industry-specific products	InterClean may not understand what the market requires to build an organization to meet those needs; The organizationa l structure may not support solution selling or meet customer’s	InterClean may not put in place an organization that meets market demands. Constant re-organization has a negative effect on employees as they frequently have to learn new policies and	Determine the infrastructure necessary to sell and deliver the new products; Pilot the new organizational structure using a small group of employees; Develop a full-blown organizational plan based on the pilot.

needs;
 . procedures.

Employees
 may become Customers
 disgruntled are affected
 because they as they are
 were not pushed
 placed where around the
 they wanted changing
 in the new organization.
 structure.
 ;
 ;

Perform a gap analysis on current employees and develop a custom training plan to bring employees to the skill level required for success	. Employees may not be honest about their skills due to uncertainty about their future employment; . Employees	. Employees may leave the company due to the uncertainty. . Because the CEO is a risk- taker, these employees would not be	. Determine the skills needed to sell and provide the services; . Develop a methodology for gathering the information that will pacify employees'
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may not valued by the anxiety;

believe in the company.

training;

Employees

may panic

when told of

the changes.

.

;

· Pilot the

approach on a

single customer if

possible using the

best, most

talented

employees;

· Develop an

approach/ policies

and procedures;

· Develop a

customized

training program;

· InterClean

must assure that

upper-

management

supports the

training program

developed and

that the method

of training should

reinforce the

skills required.

- Wait until the waves of risk adverse employees leave to determine hiring and firing requirements;

- Assure employees that all employees will be given a chance to find their place in the new organization and if the new InterClean is not for them, that an exit strategy will be offered.

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Table 5a

Optimal Solution Implementation Plan

Restructure the Organization

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Deliverable	Timeline	Who is Responsible
Review the business strategy and align the staffing plan to that strategy.	0-14 days	Janet Durham, Vice President of Human Resources with Executive Staff
Define project goals and objectives/ detailed project and resource planning	0-14 days	Janet Durham, Vice President of Human Resources
Review the products and services offerings in detail	0-14 days	Janet Durham, Vice President of Human Resources with Tom Jennings, Vice President of Marketing and Sam Waters, Chief of Compliance
Review and analyze the industries and determine which and the number of industries to specialize	0-30 days	Tom Jennings, Vice President of Marketing with Executive Staff
Determine the number of employees required in each group (Product Specialists and Industry Specialists)	30-60 days	Janet Durham, Vice President of Human Resources
Use skills analysis to determine the recruiting or	60-90 days	Janet Durham, Vice President

layoff requirements		of Human Resources
Complete training	120-180 days	Janet Durham, Vice President of Human Resources
Transition to new organization	180-360 days	Janet Durham, Vice President of Human Resources
Evaluate organizational changes	210 - 360 days	Janet Durham, Vice President of Human Resources
Develop and implement a continuous improvement process. Make organizational adjustments as needed	210 - 360+ days	Janet Durham, Vice President of Human Resources with Executive Staff

Table 5b

Optimal Solution Implementation Plan

Gap Analysis and Custom Training Plan

Deliverable	Timeline	Who is Responsible
Review ability to gather analysis data	0-14 days	Janet Durham, Vice President of Human Resources with Carol Stanley, Internal Consultant
Define project goals and objectives/ detailed project	14 - 60 days	Janet Durham, Vice President of Human Resources with

and resource planning		Carol Stanley, Internal Consultant
Determine process for gathering data	14-60 days	Carol Stanley, Internal Consultant
Determine computerized processes for compiling and using data	14-60 days	Carol Stanley, Internal Consultant
Determine resources required to gather data	14-60 days	Carol Stanley, Internal Consultant
Develop detailed project plan	14-60 days	Carol Stanley, Internal Consultant
Conduct gap analysis	60 - 90 days	Carol Stanley, Internal Consultant
Compile data	75 - 120 days	Carol Stanley, Internal Consultant
Analyze data	90-120 days	Carol Stanley, Internal Consultant
Design training solutions	120 - 150 days	Janet Durham, Vice President of Human Resources
Deploy training solutions	150 - 180 days	Janet Durham, Vice President

of Human Resources

Evaluate results of gap analysis	120 - 180 days	Janet Durham, Vice President of Human Resources
Evaluate results of training	180 - 210 days	Janet Durham, Vice President of Human Resources
Make adjustments based on evaluation	180 + days	Janet Durham, Vice President of Human Resources with Executive Staff

Table 6

Evaluation of Results

End-State Goals	Metrics	Target
Increase revenues by 40%	Revenue increase of 40% annually	After the implementation of the projects InterClean has consistently increased revenues 40% each year.
Provide solutions to customer's needs	Industry-specific product offerings customize-able to customer's requirements.	After reorganization of InterClean and development of a set of product and service offerings that are

industry specific,
 InterClean is able to
 compose solution
 offerings to
 customers.

Develop and implement
 a human resources
 management system
 that supports the
 changes in the industry

Recruitment and staffing
 plans that are designed
 to attract industry
 experts.

InterClean has trained
 and/or hired industry
 specialists that are able
 to design customized
 solutions for customers.

Develop and implement
 a human resources
 management system
 that supports customer
 needs

Training,
 communication plans
 that are designed to
 train sales reps to
 understand the uses and
 benefits of products.

InterClean has trained
 and/or hired product
 specialists that are able
 to work with industry
 specialists to compose a
 customized solution for
 customers.

Build a highly-skilled
 talent pool that is unique
 to the requirements of
 InterClean

5% turnover is

maintained

InterClean employees
 have the tools and
 education to perform job
 functions. Few
 employees leave the
 company due to job

dissatisfaction.