

Growing pains essay sample

[Psychology](#), [Motivation](#)



What is going on?

Waterway Industries began its service in 1963 from small and high quality canoe maker. Cyrus Maher who is CEO had maintained a steady growth right up until 1990. Recently he may be facing a human resources problem. Lee Carter is a relatively new employee whose high-powered sales ability has completely changed sleepy canoe company into extraordinary growth. But Maher has overheard Carter discussing a new job that would offer equity position and money, and he fears her defection is imminent.

Maher has begun to reconsider his employees' compensation arrangements, particularly Carter's. As he consults with his banker and advisers in the industry, he begins to realize that organization culture he created at Waterway may have changed for good. The ideas of how to help company get out of dilemma occupied the proscenium of his mind.

Analysis of the case:

Until 1990, the expanded business hadn't changed Waterway's informal work style and Maher hadn't been motivated to push any harder even though sales and revenues had increased with the market.

In case, Maher wanted to recognize Carter's contribution because she had been extremely successful in opening new sales channels, and she was personally responsible for 40% of the company's sales for the last two years. But the sales network had grown informally, and Maher had never really tracked it or thought much about building a sales force or developing a formal distribution plan. In Maher's heart, Carter is the best hiring decision

he ever made. He wants to keep her and continually improving, but he is in dilemma that how can special employees deserve special motivation and how come company manages paying some much more than others after Maher mentally reviewed his payroll. Those are the key issue in this case. If I am Maher, I will take short-term and long-term actions for reduce employees' turnover and improve organizational performance, productivity and profit.

Actions to be taken:

Short-term actions:

1. Communication:

The best way to find out what Carter wants and establishes trusty between Maher and Carter is communication. Through communication, Maher can get Carter to understand her own personal role in the process and built friend relationship between them. Money is not the only way to motivate employees, because different things can motivate different employees. So, this is the best way to save business cost and reduce turnover and keep the best employee.

2. Offer variable compensation and benefits:

Variable compensation and benefits is base on the company's success. Company can accord to employee's special high performance offering special motivation. This means special employees deserve special motivation. Maher need to manage paying some much more than others. On

the other hand, employees do not think that employer has not a reputation for a tight wallet.

Long-term actions:

In today's high competitive marketplace, it is more important than ever to keep best employees. There are four ways to motivate employees:

1. Creating a positive work environment
2. Provide opportunities for growth
3. Manage employee performance
4. Recognize and reward performance

Recommendation and conclusion:

In case of waterway, individual are concerned with the equity of their pay relative to others both within and outside their organization. Maher is also concerned with pay, not only because of its importance as a cost, but because it motivates the decisions of key employees about continuing on a job, or leaving the organization. In waterway, Maher need to develop strategic compensation plans for competitive business environment that requires high quality and continuous innovation. In addition, he also review about his company, or something bigger — strategy, structure, systems and processes, style, staff, resources, shared values and strategic performance.

In a word, using both non-pay recognition and pay for performance adaptive incentive programs are important for keeping the best. As a CEO, must be

sensitive to changes in markets, people, and competition and be aware of the need for an adaptive and flexible organization.