

# [Real-life problem faced by the body shop](https://assignbuster.com/real-life-problem-faced-by-the-body-shop/)

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## Introduction

This report is to address the real-life problem faced by The Body Shop and how the problem can be solved based on the functions of management. According to the information provided by The Body Shop website, The Body Shop has successfully created an image of being a caring company that is in helping to protect the third world workers and indigenous peoples. But behind the cuddly image lies the reality The Body Shop's operations, the Body Shop does not help the dilemma of the workers and indigenous peoples as well as put them on a pedestal in order to exploit people's idealism.

Evidence from “ What’s wrong with the Body Shop” (1988) stated that The Body Shop claims to be helping some third world workers and indigenous peoples through so-called 'Trade Not Aid' or 'Community Trade' projects. In fact, these are largely a marketing strategy as less than 1% of sales go to 'Community Trade' producers, and it has been shown that some of these products have been sourced from mainstream commercial markets. This is the existing problem faced by The Body Shop. Instead, if the problem of exploiting indigenous peoples cannot be solved, this leads to some impact on the specifiedenvironmentespecially customers and pressure group.

Robbins, Bergman, Stagg, and Coulter (2006) have stated that organisations exist to assemble the needs of customers. Customer is the one who absorbs the organisation’s output. Consequently, customers will start to increase the awareness need to think seriously about the products they use and to consume less. Customers will boycott the Body Shop until the problem is settled. The evidence is seen that customers had started to declare their feeling through the internet. For an example, they posted bad command on “ The Consumer Trap” (Dawson, 2007). For the pressure groups, they do a lot of activities or campaign to against The Body Shop.

For example, The London Greenpeace Group has started to create awareness to the customers to consume less The Body Shop’s products as well as to command the workers organise together to fight for their rights (“ What’s wrong with,” 1988); The Body Shop has been ordered by a Brazilian court to pay more than US$ 431, 000 (? 218, 000) to settle labor claims against it by three former employees of its " Fair Trade" project in the Amazon Rainforest (Tolup, 2006); The Body Shop was included in the list of the Daishowa Boycott List (Lubicon Lake Indian Nation, 1995).

We can imagine that if by exploiting the indigenous problem still cannot be solved, this may cause a bad image to the Body Shop’s organisation. As a result, a goal to “ reduce exploiting third world workers and indigenous peoples by 85% compared with last few year figures by the 2010” must be put in place. In order to accomplish the goal, the functions of management are proposed in the discussion of this report. 2. 0 DISCUSSION There are 4 functions identified with management (Fayol, as cited in Robbins et al. , 2006).

This report will only discuss 2 function and they are planning and controlling. This is because planning is the primary management function (Jayasheree Pakhare, 2007) to distinguish from (Robbins et al. , 2006). Without planning the management of The Body Shop would not know how to be organised. Moreover, planning is the ongoing process of developing the business’ mission and objectives and determining how they will be accomplished (Higgins, 1994). Planning can provide direction to the management of The Body Shop in how they can do in reducing this problem.

Meanwhile, control is the final link to management functions and function of monitoring work to check progress against goal and taking corrective action when required (Bennis, 2003). After the plans are established, The Body Shop’s management needs control to see whether their goal or plans were on target and what future actions to take. So, the Body Shop must start their steps by creating plans which are effective and powerful in reducing this event as well as in monitoring activities to make sure that the plans are accurate. 2. 1 Planning

In reduce exploiting workers and indigenous peoples’ problem it is proposed that The Body Shop use operational plans. This is because operational plans are short term (Robbins et al. , 2006). This is link because the goal is set to be achievable by 2010. Robbins et al. (2006) stated that there can be difficult for the manager to established plans for a long period. Evidence stated that this problem had overcome a lot of boycott from customers and pressure groups. Let imagine that if the problem cannot be reduce within the following 2 years how enormous are the unpleasant loss need to bear by The Body Shop.

Moreover, operational plans are specific (Robbins et al. , 2006). This meant that specific plans are clearly defined and leave no room for interpretation or there is no ambiguity with misunderstandings. The specific plans are suggested because the exploitation problem is sensitive and must have particular guidelines to go after. The management of Body Shop cannot use flexible or general guidelines to reduce the events. This may overcome more problems and increase more boycott from pressure groups and customers.

Allen (1998) stated that operational plans are standing. Standing plans are ongoing plans that provide guidance for the problems performed repeatedly and include some policies, rules and procedures that must be follow include policies, procedures, method, and rules. The Body Shop must establish a lot of policies or rules to guide their factories managers or supervisor to reduce the exploitation. With the ongoing policies or rules, The Body Shop can prevent the increasable of exploitation as well as can reduce it by 2010.

The management of Body Shop can identify of how the goal is to be achieved by below operational plans:

* Creating a team This team is required to visit the Body Shop’s factories in different countries to make sure there they do not have problems related to exploitation as well as examine the managers’ behaviour in controlling the workers. When the exploiting problem occurs, the team has to do research to find out the reasons.
* Establishing a policy to set minimum and fair wages The Body Shop’s organisation must set a minimum wages policy to guide their factories’ managers. The wages can be set more than the wages set by the government and must be fair for the workers. This can ensure the workers will not de dissatisfied with their salary in order to increase their performance.
* Putting in place an agreement between the indigenous peoples and organisation An agreement must be signed between the indigenous peoples and the Body Shop organisation to safeguard both parties’ interests. For example, a rule can identify that the ongoing 'Trade Not Aid' or 'Community Trade' projects must indicate 10%-20% of sales go to 'Community Trade' producers. This is because the Body Shop had already claimed to help them so the Body Shop has kept its promise.
* Setting a standard application procedure A procedure how the managers select the workers or indigenous peoples to work must be set by the Body Shop organisation. The decision making by the factories’ managers must follow this standard application procedure. If the workers fulfill all the application procedures, the managers cannot abuse the application.
* Organising social responsibilities The Body Shop can organisescholarshipprogrammes for the indigenous or workers’ children. In addition, some facilities can be established to provide convenience for workers. For example, providing transportation set up ahealthclinic or a comminuting hall. Therefore, this kind of social responsibilities can prevent the pressure group and customers continue to boycott the Body Shop.
* Introducing a code of ethics The code of ethics provides guidance on everything from the simplest of questions to the most difficult ones on complexethical dilemma. So a code which can guide the manager on how to prevent the exploiting problems can be included. For example, guide the managers to built trust between the workers and indigenous peoples, to define the problem accurately and what is the intention in making decisions.

Controlling In this exploiting workers and indigenous peoples’ problem, the Body Shop is recommend to use the control process. This is because this process is useful and Robbins et al. (2006) stated that the control process including measuring actual performance, comparing actual performance against a standard and taking managerial action to correct the deviation.

With this process, the Body Shop requires to measuring its actual performance. The Body Shop advise to measure the actual performance by collecting personalobservation, statistical, oral, and written reports which is indicated by Allen (1988). After the measurement, the Body Shop can do comparing to determine the degree of variation between actual performance and performance standard with are the goal and the plans suggested above. If the variation is exceeding the acceptable variance, immediate and basic corrective action must be taken by the Body Shop to correct this variance.

However, Allen (1988) stated that immediate corrective action is more efficient while basic corrective action is more effective. Thus, the Body Shop must take actions depend on how effective or efficient they target the actions to be. In order to reduce the exploitation, the Body Shop also proposes to use bureaucratic control. This is because bureaucratic controls emphasizes organisational authority and relies on administrative rules, policies and procedures (Robbins et al. , 2006). In the part of planning, there are a lot of plans are that identified with policy, agreement and procedure.

Consequently, The Body Shop must link them together to make sense. However, according to Robbins et al. (2006), managers need suitable tools for monitoring and measuring organisational performance. The tools for controlling organisational performance are called feedforward control, concurrent control and feedback control.

Feedforward Control Feedforward controls allow managers to prevent problems rather than having to correct the problems (Robbins et al. , 2006). The management of The Body Shop must sort out some actions which can prevent the problems occur. Feedforward control is the most desirable type of control.

This is because this control can avoid led to waste or damages. The actions that the Body Shop can take in feedforward control are:  Establish some incentives to the workers or indigenous peoples whose performance is up to the task. For example, provide 15months wages per year, health care policies, and transportation. Provide some training or guidance to the factories’ managers to ensure them has appropriate behavior in controlling the workers.  Concurrent Control Concurrent control is the control that takes place while a work activity is in progress (Allen, 2006).

In this moment, the management of The Body Shop can monitoring their factories managers and corrects the problem before they become too costly. The actions that the Body Shop can take in concurrent control are: (i) Organising a direct supervision. For example, if there have some mistakes in abuse the workers’ wages or terrible managers’ behavior, the created team must directly correct them.  Monitoring the managers. When the problem occurs, the Body Shop should organise a seminar to brief the managers in monitoring any problems that should be corrected.

This can prevent more expenses need to bear before the misleading problems become more complex. Feedback Control In feedback control, the control takes place after the activities are done (Robbins et al. , 2006). Feedback control is the most popular control. This is because feedback control can provide information on how effective their planning efforts were as well as enhance workersmotivation. The actions that the Body Shop can take in feedback control are:  After the goal is achieved, the created team necessity does surprise visits to their outlet or factories in different countries.

In this visits, the Body Shop will receive some useful or meaningful information to formulating new plans.  Organise some survey for the workers. The survey maybe about the behavior of the managers. Through these kinds of visits and survey, the Body Shop organisation can understand whether the managers still follow the policy, agreement or procedure or not.

## Conclution

To reduce the exploiting workers and indigenous peoples’ problem, the Body Shop must indicated planning and controlling. The evidence stated that planning and controlling are the most important and useful ways to reduce the problem.

In planning, the operational plans which are short term, specific and standing are suggested. However, in controlling, the process of control and bureaucratic control is more appropriate in achieve the goal. Moreover, the tools for controlling organisational performance called feedforward control, concurrent control and feedback control also are suggested for the Body Shop organisation.

## Recommendation

* Therefore, there are 5 recommendations for the Body Shop organisation:
* Creating a team
* Establishing a policy to set minimum and fair wages
* Putting in place an agreement between the indigenous peoples and organisation
* Provide incentives to workers and indigenous peoples
* Organising direct supervision

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