

Identification of Organizational Problems and Suggestions for Optimization: Case Study of the Vodafone

Wang, Chuqiao

Luoyang Normal University Electronic Commerce College, Luoyang, Henan, 471934, China

Abstract: This paper takes Vodafone Australia as an example, analyzes four major problems currently faced, and puts forward reasonable suggestions from three levels: individual, team and organization. By controlling independent variables at the three levels, the company can be promoted to a better direction, encourage employees, continuously improve organizational systems, and carry out targeted problem solving, which is the key to the long-term development of the enterprise.

Keywords: Evidence-based Identification; Optimization; Vodafone

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1. Introduction

Vodafone is one of the top companies in the telecommunication industry in Australia, which has a series of retail stores and distribution points in different cities and regions. Also, the firm Vodafone is an organization consisting of transnational corporations with multi-cultural employees. In this report, we just focus on three stores in Canberra using an interview method to communicate with the general manager and around 10 employees. It has 3 or 4 employees in each store. According to the interview, the salary of Every Manager is about 6,000 AUD before tax. As for the working hours, the average time is 38 hours per week.

2. The Discussion of the Nature of the Problem Faced by The Vodafone

(1) Interview and survey——Interview with vodafone every manager

1) Basic information

Question 1. Could you introduce your firm? (Including the number of stores, the location, the number of employees, and work time)

Answer 1. Our parent firm is Vodafone Australia and we have three stores in Canberra, which belongs to the Mosmobile. One in Belconnen, one in Gungahlin and another one in the ANU. We have nearly 10 employees in total, and there are 3-4 people in each store for customer service. To be honest, my salary is about 6,000 AUD per-tax, and I usually work 38 hours per week. Sometimes, I may work during the weekends because of the arrangement of schedule.

2) Phenomenon or problem and corresponding cause

Question 2. What do you think of the compensation package in your current company? Is the return proportional

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About the Author

Wang, Chuqiao (1996-), graduated from the Australian National University, and main research interests are international management and e-commerce.

to the effort?

Answer 2. I think it's reasonable, but the overall wage level is not very high, compared with other firms in the communications industry.

Question 3. Does your company have clear assessment criteria? Is the assessment standard fair?

Answer 3. All major Australian companies, including Vodafone, have KPI indicators, and their assessment standards are fair. The intensity and difficulty of work are not too great, but some employees do not make efforts to complete the indicators or have an indifferent attitude. Most employees are not motivated enough and not engaged enough.

For example, when a Vodafone customer comes in to make an inquiry or do a business, the staff don't pay more than they should after they've done their job. Instead of pushing customers to pay for things like signing up for a mobile phone or signing up for a wireless terminal plan.

Question 4. Why do you think that most employees are not motivated enough and not engaged enough?

Answer 4. Firstly, employees are not dedicated to work, and cultural differences lead to the satisfaction of the comfortable life status, content, and do not want to take more responsibility.

Secondly, employees who are not engaged or unable to reach KIP will not be laid off. Instead, more training will be provided to replace the layoffs, because the leaders believe that the failure to meet the targets is caused by the employees' insufficient ability. On the one hand, the legal risk of redundancy is high. Employees who are protected by labor laws and labor unions will be protected by Australian Fair Work. On the other hand, the redundancy cost is high, including severance pay of 3 months 'salary, training for new employees, and 3-month induction training will cost 4,000-5,000 AUD per month.

Thirdly, bureaucracy, there is no more stringent supervision and control mechanism. The superior leader did not check the work carefully.

Question 5. Are you satisfied with your present job?

Answer 5. It is satisfactory, but it is boring and not challenging. I think the salary is not satisfied, the promotion mechanism is unfair, the leadership is willing to promote white people. Colleague relationships are related to who you are, but there is little communication between colleagues except during work hours.

Question 6. Do you really like this job? Do you think you can fully realize your personal value? Are you considering moving to another company?

Answer 6. Yes, many employees talk about job-hopping during the break time. As a Vodafone Every manager, I also consider changing my job.

Question 7. What do you think is the reason for changing jobs?

Answer 7. Firstly, for a higher salary, you are more likely to expect a higher salary or benefits than if the job is of the same nature and the amount of work is similar.

Secondly, they can't improve themselves in their current job. They feel tedious while they are working and experienced day by day. Most employees want to challenge themselves. Some of them want to pursue a different life experience or learn more knowledge.

Additionally, some employees think that the leader lacks close communication with subordinates. There is a low level of leadership among their leaders who lacks understanding of the grassroots and provides an incorrect way of working.

Question 8. Do you agree with the company's organizational culture? Where do you think the company can improve?

Answer 8. There are group activities, that are only limited to meals, less frequent, no other options, will not travel together.

There is an interesting phenomenon that is about sick leave. We have 1.5 hours' sick leave per week. When an employee is not feeling well, the leader may suggest calling in sick, but the employee is unwilling to do so. However, the boss says that not taking a good rest will lead to more serious damage later. I think it is cultural differences, different perceptions of health. Although it cannot cause a loss to the firms, it is confusing.

Question 9. Do you think there are any communication problems in your daily work? Like between people from different cultures? Between the employee and the leader?

Answer 9. Recently, during the outbreak, Asian employees were advised to wear masks, which they considered a way to protect themselves. However, the Australian leader said that it was not necessary to wear the mask, believing that only patients should wear the mask, and that the fundamental reason for the impact on customer service. I think it was caused by cultural differences.

Question 10. Do you think your firm has any other problems while you get to work?

Answer 10. Let me think about it, well, I'd like to talk about how problem-solving is not timely. The user feedback network fault cannot be solved in time, so it needs to be reported layer by layer, contact the technical department. Generally, the telephone service is busy for a long time and the service efficiency is low.

Question 11. Why does it usually happen?

Answer 11. I am not sure the real reason, but I guess that phone service has fewer employees and companies are reluctant to spend more money on customer relationships.

(2) Case study analysis

According to an interview with Every Manager in the ANU and the observation of other stores in Canberra, Vodafone firm has the same problems as other large companies. Firstly, in the employee individual level, the employees' working enthusiasm is not high, and there are cases of disrespect and negative attitude during the working time. Those are the reasons that employees have low job satisfaction and that can result in the employees' instability. Secondly, at the management level, the communication between the employees and the manager is not close, many technical problems cannot be solved in time. Under this situation, the service efficiency is not high. Meanwhile, cultural differences and diversity also need to be taken into consideration.

3. The Evidence-based Identification of the Vodafone Problems

In order to identify the organizational problem, we consider the usage of the primary data collection through an interview and general observation. This part is about a summary of the diagnosis of problems based on the first sources from the professional experience and judgement of the Vodafone manager.

Problem 1. Insufficient Employee Engagement

Most of Australia's major companies have KPI indicators, and the assessment standards are relatively fair. Also, the work intensity and difficulty are not so high, Vodafone is not out of exception. Despite this, there are still some employees of Vodafone who are not dedicated enough to their work or do not care about completing their KPI. For instance, if some customers inquire about certain businesses, the employees will not do more after answering their questions, like they will not follow and attract the customers to sign up for a mobile phone or apply for a wireless terminal package.

Problem 2. Cultural Difference Causing Conflict

Asian employees in Vodafone believe that wearing masks is a good way of self-protection, which can effectively

prevent the spread of diseases. However, Australian leaders say that nobody needs to wear masks except the sick people, and wearing masks in stores will affect customer service. All the differences in awareness of health and self-protection cause the reduction of employee satisfaction and dedication, which is due to the cultural differences.

Problem 3. Lack of Motivation

According to the result of interview, Asian employees consider that the manager tend to promote locals and whites with better salary and position. Besides, the working schedule in Vodafone is often arranged by day, in which employees think the work is boring and tedious with repetitive and simple routine. The lack of motivation is owed to unfair salary system and unsuitable work arrangement.

Problem 4. Lack of Communication Management

Employees state that they have little communication between independent departments in daily work. For example, they cannot receive customer feedback and needs in time in after service landline. Also, the communication between leaders and subordinates is not complete and closed. Managers have little awareness of the store employees and thus arrange incorrect work to them. Insufficient interaction between vertical and horizontal departments in the organization is caused by the lack of communication management.

4. The Analysis of Causes of Problems

As mentioned before, the problem of the organization is low job satisfaction and low employee engagement, because of the lack of motivation at the individual level. The first and most basic element is the low wage. According to the Motivation-Hygiene theory, pay is one of the hygiene factors, which can eliminate dissatisfaction and prevent problems. Additionally, distributive justice, perceived fairness of outcome, would affect the overall perception of fairness in the workplace. Only when the wage satisfies the employees can they pay more attention to their work. The second cause of the problem is the perception of inequity. In the equity theory, individuals would compare their efforts and returns with others for equality. When they feel inequality, they will take measures to eliminate it. In Vodafone, Asian employees believe that Caucasians are more likely to be promoted, so they face the work with a negative attitude and reduce work enthusiasm. Thirdly, some interviewees cannot be motivated due to the boring job. Based on the job design theory, job characteristics would affect the work motivation and growth satisfaction of individuals. Task significance is essential for some employees. Jobs with low significance are not able to challenge the workers, also less opportunity for individuals to learn more knowledge and grow. Furthermore, the relationship with colleagues has an influence on job satisfaction. In teamwork, social interaction is inevitable, which has a strong relationship with job satisfaction in the workplace (Hagemeister & Volmer, 2018). If there is social conflict in the organization, the emotion would have a negative impact on the job. What's more, the lack of communication between the leaders and followers is negatively related to job satisfaction (Anak Agung Ngurah Gede Sadiartha, & Sitorus, 2018). Lastly, the low employee engagement in Vodafone, such as leave and absence, should also be the influence of local culture and value. Zheng et al. (2016) demonstrated that Australian employees cared more about well-being and work-life balance. According to the interview, the terminal values of some employees, especially local people, is to live happily without much pressure. Thus, they would not devote all the time to working.

Under normal circumstances, employees who do not meet the KIP will not be fired. Instead, they will provide more training to replace layoffs, because the leaders believe that the failure to complete the target is due to the lack of employee capabilities. The employees in the group do not have close systematic cooperation, but under the management system of performance competition, the competition relationship among the group members is more obvious, so it is impossible to achieve fair and effective team communication within the department. Moreover, with the bureaucratic leadership style, there is no strict supervision and control mechanism for group work, and superior leaders will not spend enough time to carefully check the work, nor can they give timely feedback on group work.

In terms of organizational structure, Vodafone's online and offline businesses are separated and completed by different institutions. This greatly facilitates the human resources training of the company's related positions, because the company cannot easily lay off staff due to policy reasons. There are two reasons for this. On the one hand, the legal risk of layoffs is high, and employees protected by labor laws and unions will be protected by fair work in Australia (Federal Register of Legislation, 2009). On the other hand, according to the interview with the management, it can be found that the cost of Vodafone layoffs is high. For new employees, 3-month severance and training fees will be paid. The cost of the 3-month introductory training is 4,000-5,000 USD per month.

In addition, due to legal and economic problems caused by human resource management difficulties, Vodafone is difficult to achieve employee promotion incentives. Generally, companies can only provide job-related training for employees, but cannot provide personal promotion training, which leads to employees being confused about their careers.

As for the organizational culture, since the employees of the company each have different cultural backgrounds, the organizational culture is diverse. Cultural differences can cause widespread communication problems among employees, and even leaders and employees, while organizational managers do not provide a good workplace environment for improving communication efficiency.

In terms of Coronavirus-2019 as a contingency variable for discussion, we establish a research modal for further research. We focus on the context factor- epidemic as a moderator that it causes the influence of culture conflict between employees and the manager, then leading to lower employee engagement and affecting the quality of customer service. Cultural diversity adds to the complexity of a firm. Such complexity can manifest itself as a firm operating in a multicultural market, which requires firms to adapt to different cultures to deal with different beliefs, behaviors, and ideas (Hutzschenreuter, & Voll, 2008). Additionally, the complexity of corporate management includes conflict management, decision making and leadership style (Adler & Gundersen, 2007). De Jong and Van Houten (2014) concluded that cultural diversity can hinder the performance of multinational companies. Furthermore, the negative manifestation of organizational cultural diversity is cultural conflict. For example, under the outbreak, Asian employees and local leaders have different views on the behaviour of wearing masks. Most Asian employees showed an unwillingness to go to the shops for work without masks during the outbreak, which reflects low employee engagement. From the manager perspective, they consider that the behaviour of employees wearing masks can cause panic among customers resulting in a drop in customer traffic. Therefore, under the influence of the epidemic, the cultural bias caused by different cultural concepts not only led to the decrease of employee engagement but also the decline of organizational performance.

5. Optimization Suggestion

Based on the Identification of Organizational Problems, we could summarize that there are four main problems of Vodafone. Respectively, these questions are insufficient employee engagement, conflict caused by cultural difference, lack of motivation and lack of communication management. These outcomes are caused by various elements, which are already analyzed in the last essay. Thus, in this essay, I will provide reasonable suggestions from three levels, the individual, group and organization level. Meanwhile, the social and ethical implications will be illustrated.

(1) Individual level

In the individual level, there are two methods to solve the lack of motivation and low job satisfaction question.

1) The recommendations

First, providing fair promotion space and training places for employees is also the key to improving employee

satisfaction. Some individual found that they did not get the same return after investing the same. This situation may happen in the gender and ethnicity differences. According to the Webber and Rogers (2018), the dissatisfaction and anger emotion will occur when they all work seriously but they get the different salary just because innate factors. The Equity Theory also illustrates the importance of fairness.

Second, some work tasks can be reassigned. Some employees lack of motivation because the daily work is boring and not so challenges to them. If the similar daily work in other company like Optus are more interesting, they may choose that more challenging work (Card, Mas, Moretti, & Saez, 2012). Daily task is easy and relaxing which let employees is a kind of slack and even lazy. Thus, Vodafone need to reallocated the work tasks to employees. Mia (1989) said that there is a certain positive correlation in some degree between employee participation and the difficulty of the project. So, facing this situation, it is important to reassign the work of employees.

2) The social and ethical implications

Through these three methods, there are some implications. The improvement of daily task difficult could increase employee engagement because this is not boring anymore. Also, the fair opportunities of career development engage people to work hard for a better career prospect. Employees 'work will also be reasonably rewarded. The increase in wages will improve employees' enthusiasm and enthusiasm. These three measures can improve employee satisfaction and reduce turnover rates by increasing employee motivation and reducing employee dissatisfaction.

(2) Group level

In the group level, there are three methods to decrease the conflict with the manager and the colleagues.

1) The recommendations

First, each store group should conduct regular team entertainment activities. According to the questionnaire, the respondent thinks that the relationship between their colleagues is not good. During work time, everyone only focuses on their own tasks and the cooperation awareness is not strong enough. Also, there is not enough interaction and communication between colleagues. Based on the article (Jiang, Jiang, Hu, & Hu, 2016), the team activity like group barbecue could boost the relationship between team members. Better relationship with colleagues is also a key measure to resolve conflicts in the group.

Second, the manger needs to communicate and coordinate their group member in a multicultural perspective. Due to the employees' background is different, because their regions and culture are different, so the single method of communication and problem solving is not effective. Also, the misunderstanding come from the communication which could led to the conflict. Thus, the diverse communication methods are important.

Third, managers need to change their bureaucratic style to flat management. The bureaucracy style of this Vodafone group reflected in no feedback and unsupervised which is should have. Based on the existing article (HIRST, KNIPPENBERG, CHEN, & SACRAMENTO, 2011), the personal creativity will decrease with the increase of bureaucracy in an organization. Compared with hierarchical management, the flat management is more suit this group. During daily work, the manager should give feedback and monitor the store in time rather disregarding employee performance.

2) The social and ethical implications

Through these three steps, the conflict will effectively decrease. In the colleague level, Timely communication reduces the possibility of misunderstandings. As for the team, doing more teamwork activities in spare time also greatly improves the team's sense of cooperation. In terms of manager, managers provide feedback on employees' work in time and use the flat management, which is helpful to let employees know what they can improve. All these actions could increase the communication and decrease the conflict among the group.

(3) Organization level

In the organization level, there are three methods of two aspects to improve existing organizational structure and institutional issues.

1) The recommendations

First, in terms of organizational structure, Vodafone must strengthen links between various departments and establish a working network that can be contacted among the different branches. Based on the survey, the offline store and online service is separated, which result in some problems in responsibility. When a problem happened, both of them said this is other side responsibility and the store staff cannot contact the technical engineer in time. The organizational structure is important to every business, and the effective network between various departments play a significant part (Bustinza, Bigdeli, Baines, & Elliot, 2015). Thus, Vodafone set up a more effective structure could benefit a lot (Kaufmann, Borry, & DeHart, 2019).

Second, in terms of organizational systems and policies, Vodafone need to establish a complete and fair position promotion system and layoff system. The organization policies are the pillar and show the culture of whole company. According to Eady and Nicholls (2011), the employees who have the better career development space work harder than the employees who are not have. Also, a reasonable KPI system could benefit not only the group but also the whole company. A well-development KPI system can effectively urge employees to complete their work better and decrease loaf on the job. For the company, this action could reduce cost of paying the people who are not hard work. The article (Strunk, Goldhaber, Knight, & Brown, 2018) also prove that the layoff system could encourage employees' work performance. Therefore, it is necessary to establish the position promotion and layoff system.

2) The social and ethical implications

Although the role of corporate systems is change (Lojpur, Milović, & Jocović, 2015), the core that an excellent enterprise system benefits the company's long-term development is unaltered. Through these actions, the company will increase the efficiency of company operations and reduce unnecessary labor costs.

6. Conclusion

In summary, for the four aspects of the company, we make the whole company towards a better direction through controlling the independent variables of three levels. On the one hand, it is necessary to encourages employees through material and spirit aspects. On the other hand, they need to constantly improve the organizational system. For the role of manager who plays a connecting role, training is also carried out to achieve better results. For enterprises, continuous problem discovery and targeted problem solving is the key to long-term development.

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