

Case Study

Radio Shack and Blue Banana

What does *Radio Shack* (a consumer electronics retailer) headquartered in Fort Worth, Texas and *Blue Banana* (a clothing and body piercing company) headquartered in Cardiff, Wales have in common? Both made national news in August 2006 about how they've used technology in their organizations. But while many will say good press or bad press, it's press nonetheless, there's a clear indication that neither *Radio Shack* nor *Blue Banana* care for the press they've received.

Throughout the past two decades much of the spread of technology in modern organizations has made organizational activities more efficient. Nowhere in an organization are these advances more evident than in the technology that supports and enhances communications. E-mail, text messages, intranet, and the like all contribute to moving information more quickly throughout the organization. With extraordinary speed, technology-enhanced communications can reach the multitudes in ways that several decades ago was simply impossible. The connectivity that exists today makes these interactions immediate. They have become great equalizers: any organization, large or small, located in a thriving metropolis or in some remote location, can have access to anyone. The question, "Has it also dehumanized global organizations?" is quite possibly the element that will link *Radio Shack* and *Blue Banana* for years to come.

Given some issues and restructuring needs in the organization, *Radio Shack* informed employees that at some point in the future layoffs may be warranted. Employees were told that most of those positions would be at the corporate level and affected individuals would be made aware of management's decision. In August 2006, *Radio Shack's* management decided to make its first job cuts—400 in all. But rather than personally notify those employees about to be severed from the organization, *Radio Shack* management sent the following email:

"The work force reduction notification is currently in progress. Unfortunately your position is one that has been eliminated."

In similar way, management at *Blue Banana* had problems with the work performance of one of its employees. Having some difficulty reaching the employee (although she was at work), *Blue Banana* management sent her following text message to her cell phone:

"Hi Katy, it's Alex from the shop. Sorry 2 do this by text but I've been trying to call u and ur phone has been switched off. I've had a meeting with Jon + Ian and we've reviewed your sales figures and they're not really up to the level we need. As a result we will not require your services any more. You will receive your last pay packet on Friday 28th July. Thank you for your time with us."

It's clear that while technology can be management's greatest communications supporter, it must also be used with great care. Respect and dignity for employees – no matter by what channels messages are sent – must be the most important. That's something that can never be lost in any translation.

Are such impersonal messages professional in today's organizations? Has technology been used appropriately when one of the more emotional aspects of work (being laid off or fired) is handled in such a degrading way? What is your opinion about how *Radio Shack* and *Blue Banana* have used technology in their organizations?