

Peppercorn Food Company

Course: MGMT 3710: “Organizational Behavior”

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Team: Coordinators

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Executive Summary

This paper examines the organizational behavior (OB) of Peppercorn Food Company, a growing catering and food service business. Through an in-depth interview with the company's owner, Jude Villafana, several key OB challenges were identified, including employee commitment, motivation, leadership styles, and organizational culture.

Understanding these elements is crucial for ensuring long-term business success and a positive work environment.

Using insights from four key chapters of our textbook, we explored drivers of employee retention, daily motivation challenges, the effects of leadership styles, and workplace culture development. Employee retention at Peppercorn Food Company is influenced by job satisfaction, growth opportunities, and recognition, while motivation is impacted by workload management and incentives. Leadership styles within the company play a significant role in shaping team dynamics and overall productivity. Additionally, the company's evolving organizational culture affects collaboration, communication, and employee engagement.

To address these challenges, the report recommends several strategic improvements.

Implementing formal recognition systems can enhance employee morale and loyalty.

Introducing stress management techniques—especially during peak operational times—can improve overall job satisfaction and efficiency. Establishing cross-department incentive programs can foster teamwork and cooperation, bridging potential gaps between different areas of the business. Lastly, refining internal communication practices will enhance transparency and alignment across all levels of the organization.

By focusing on these recommendations, Peppercorn Food Company can strengthen its organizational behavior framework, creating a more motivated, engaged, and productive workforce. These improvements will not only enhance company performance but also contribute to a more supportive and dynamic work environment, essential for long-term growth and sustainability.

Introduction and Problem

Peppercorn Food Company is a food and hospitality firm that was established on December 20th of 2020. The firm's entrepreneurial culture, dynamic work environment and high event-to-event variation define the company. Our group selected Peppercorn due to its small scale and fast expansion as this brings unique OB challenges which make the firm a good fit for applying the concepts of the course.

One of the most pressing OB issues faced by Peppercorn Food Company is inconsistent employee commitment and motivation. This challenge arises largely due to the unpredictable and demanding nature of the company's operations, which often include variable schedules and high-pressure workloads during events. Employees, whether full-time or part-time, are frequently expected to adapt to fluctuating demands, which can lead to feelings of fatigue and frustration. This inconsistency has a cascading effect across various aspects of the organization. Employee satisfaction and morale directly influence the success of individual events, the quality of service provided to clients, and even the long-term growth trajectory of the firm.

The stakeholders impacted by these challenges are broad and interconnected. Full-time and part-time employees are at the forefront, experiencing the direct effects of variable scheduling and workload intensity. Managers and owners face difficulties in maintaining a motivated and cohesive workforce while striving to meet the demands of a rapidly growing business. Finally, customers—who rely on Peppercorn to deliver exceptional dining and hospitality experiences—may ultimately bear the consequences of employee dissatisfaction if it leads to inconsistent service quality. Thus, addressing this issue is crucial not only for improving employee well-being but also for ensuring the sustained success and expansion of

the company.

- We'll examine the situation using four OB frameworks:
 - Organizational Commitment (Ch. 3)
 - Motivation (Ch. 6)
 - Leadership Styles & Behaviors (Ch. 12)
 - Organizational Culture (Ch. 16)

Organizational Commitment (Chapter 3)

Peppercorn workers remain owing to the potential for career advancement opportunities, varied experience within events, and the above-average compensation of the company.

Inconsistent schedules, burnout, and educational goals drive turnover. Workers show signs of deep **affective commitment** when they have a sense of ownership of the firm's mission, but heavy workloads during the peak season strain this commitment.

The firm's commitment through fair compensation, health benefits, and opportunities for advancement motivates **continuance commitment** because workers have external reasons for remaining. Normative commitment (feelings of duty) seems weaker and thus represents a potential area for improvement.

To strengthen normative commitment, the company could invest in team-building initiatives and mentorship programs that reinforce a sense of belonging and shared responsibility among employees. Additionally, implementing structured career pathways with clear progression milestones might help workers feel more connected to long-term company goals. By fostering a workplace culture that emphasizes collaboration and recognition, Peppercorn Food Company can cultivate deeper loyalty and commitment beyond external incentives.

Key Problem: Inconsistent schedules and burnout undermine affective commitment.

Motivation (Chapter 6)

Peppercorn uses intrinsic and extrinsic motivational strategies. Year-end bonuses, gratuities, and rewards provide external incentives. In turn, the diverse, dynamic work environment and opportunities for career progression satisfy intrinsic needs.

According to the **Expectancy Theory**, workers are motivated if they think that effort will result in good performance (expectancy), that good performance will bring rewards (instrumentality), and the rewards are good (valence). During periods of heavy demand, though, heavy workloads and tension challenge the expectancy link and decrease motivation.

To reinforce motivation during peak demand periods, Peppercorn could implement goal-setting strategies that provide employees with clear, challenging objectives and progress

feedback, improving their sense of achievement and engagement. Additionally, enhancing self-efficacy through verbal encouragement, recognition of past accomplishments, and peer support could help sustain motivation even under pressure. By ensuring that employees perceive their efforts as valuable and impactful, the company can mitigate the effects of heavy workloads and maintain a motivated workforce.

Leadership Styles and Behavior (Chapter 12)

Peppercorn utilizes a non-authoritarian and near democrat leadership style in order to maximize production out of all employees in the company. There are three main factors that help Peppercorn create effective and accurate decision making. The first factor is **decision informity**, which is the degree to which team members possess adequate information about their own responsibilities. Each employee at Peppercorn is well-equipped with information to handle questions and tasks regarding their own performance. If not, the employee has resources from co-workers and supervisors to answer any question accurately and thoroughly. The next deciding factor is **staff validity**, which refers to the quality of recommendations employees give to their leader. In Peppercorn, everyone is equal and doing similar, if not the same, tasks. Each person knows the process of their company and can make quality recommendations to higher ups. The final decision factor is **hierarchal sensitivity**, which reflects to the degree which the leader effectively weighs the recommendations of members. At Peppercorn, everyone is equal. Their hands-on approach displays that managers are with

them in the thick of it, and no employee is beneath anyone. If any problems or concerns arise, it is reported to the owner and it is handled effectively and quickly in a respectable manner.

Maximizing these three factors could help with the overall organizational commitment for Peppercorn. Since it's a relatively small company, employee opinions and considerations are taken far more seriously than in a larger company. Allowing employees to see their own ideas be implemented and allowing employees to be creative with their processes will increase the overall organizational commitment and motivation.

Organizational Culture (Chapter 16)

Peppercorn's culture values teamwork, customer-centric service, and attention to craftsmanship. Making things from scratch and going the extra mile are traditions that characterize the company.

But cross-department interactions are scarce beyond events, suggesting a somewhat disjointed intra-culture. There might be improved employee satisfaction and coordination if there existed a stronger cross-department community.

Key Issue: Positive culture exists though it may be made more effective by improved interdepartmental involvement.

➤ **Recommendations**

1. Establish Formal Recognition Schemes

- Implement "Employee of the Month" rewards, peer recognition boards, and public recognition. (e.g., \$100 bonus or extra PTO day)
- Introduce a digital peer recognition platform (e.g., Bonusly or Slack shoutouts).
- After 90 days, evaluate recognition impact via employee pulse surveys.

2. Manage Stress During Peak Periods

- Rotate duties, provide suitable breaks, and think about employing temporary support workers.
- Partner with local staffing agencies to onboard temporary workers during peak periods.
- Track stress indicators (e.g., absenteeism, feedback forms) after 60 and 90 days.

3. Strengthen Feedback Mechanisms

- Schedule regular check-ins and discussion of performance beyond the initial feedback loop.
- Use 90-day performance review templates to provide developmental feedback beyond onboarding.
- Document themes in feedback and present trends in quarterly leadership meetings.

4. Improve Cross-Departmental Relationships

- Coordinate team-building sessions, cross-training sessions, and social gatherings within the team
- Start a 90-day pilot for cross-training employees between at least two service areas.
- Track collaboration success through team surveys and operational KPIs.

5. Promote Employee Development

- Develop career development plans for enhanced affective commitment and retention of the workforce, especially the younger workers.
- By day 60, initiate individualized development plans with training timelines.
- At the 90-day check-in, review progress and revise plans based on employee feedback and supervisory input.

Conclusion

Peppercorn Food Company faces typical OB challenges of a growing small business—namely inconsistent motivation, burnout, and interdepartmental disconnect. By implementing structured recognition, stress management plans, and career development paths, the company can boost retention, morale, and productivity.

Ongoing feedback, regular check-ins, and a focus on leadership and culture will be key to sustaining these improvements and supporting long-term growth.

Appendices

- Interviewee Contact Info
 - **Name:** Jude Villafana
 - **Title:** Owner
 - **Company Name:** Peppercorn Food Company
 - **Contact Information:** Jude@peppercornfoodcompany.com & 319-654-6044
- Interview Questions Posed
 - Can you briefly outline the duties of your position?
 - How long have you been working at the company?
 - What is the work environment of the company like?
 - What drives staff retention?
 - What are factors contributing to turnover?
 - How is loyalty supported?
 - How are the staff being recognized/appraised?
 - What motivates staff daily?
 - Problems during rush hours?
 - Leadership style description?
 - What happens to the feedback?
 - How does leadership impact engagement?
 - Define workplace culture/

- What company values or workplace traditions do you personally connect with or observe regularly?
- How would you describe the relationship and collaboration between different departments at Peppercorn Food Company?
- From your perspective as an employee, what are the key strengths of working at Peppercorn Food Company?
- If you could improve one area of the company, what would it be and why?