a  
>  
e  
=  
  
eo  
0?  
d  
0  
CG  
  
Y  
  
   
  
   
  
The price of  
SUCCESS  
  
Poor communications are affecting  
the performance of a fast-growing  
electronics company  
  
Background  
  
Based in Seattle, US, W.C. Hooper Inc. (WCH) is a manufacturer and  
  
   
   
  
@ - we ©  
  
gow  
  
‘\ \ \  
NN \* \ \ \ | ’ 7  
~ \ \ \ | |  
~™~\ ‘\ \ 1 ; 4 ( S 7  
oN NN \ \ weet f Y  
~ \_ oa 3 \_, ~~  
~ ~ ~ et —— ~  
  
distributor of hi-tech electronic products, ranging from executive  
  
toys to state-of-the-art digital cameras. The company has grown  
  
rapidly in the last 20 years and until recently, its performance :  
has been excellent. However, problems have arisen concerning  
  
communications, both internal and external, and these are beginning ;  
to impact on the efficiency of the business. Anew Communications  
  
Director, Betty Friedman, has been hired, and one of her tasks is to  
  
improve communications in the company.  
  
A product defect  
  
A weakness in the company’s communications  
was highlighted by the following incident. What  
mistakes do you think were made in the way  
this problem was handled? How could they be  
remedied?  
  
About three months ago, a customer found a fault in  
WCH’s most up-to-date, multi-functional cell phone.  
Her phone became very hot after being recharged  
and it burned her hand. ‘It was so hot, | thought tt  
would explode,’ she said. The customer complained  
  
to the Customer Service Department, who sent her  
areplacement phone. The employee dealing with  
  
the complaint did not inform either the Marketing o:  
R&D Departments about the fault. After this incident,  
there were a number of similar complaints. As a  
result of bad publicity, the phone was withdrawn  
from the market.  
  
Lawrence Discount Stores  
  
Another incident a few weeks ago showed that  
internal communications in the company were not  
working well. Read about the problem and discuss  
the reason(s) why WCH lost an important customer.  
  
Richard Lawrence, one of WCH's best and oldest  
customers, phoned William Hooper about  
  
the company’s new digital camera, the EX-120.  
  
He told Hooper that he'd probably be placing an  
order for 5,000 of the products in the next few  
weeks. Hooper passed on this information by  
phone to the Sales Manager. When Lawrence sent  
in the order five weeks later, the Sales Manager  
sent him an e-mail saying that unfortunately  
  
the new product was out of stock. Lawrence  
complained to Hooper, who asked the Sales  
Manager why he hadn’t given priority to Lawrence’s  
order. The manager replied, ‘| was waiting for him to  
confirm his order. | didn’t realise that his order had to  
be given priority.  
  
   
   
   
  
‘ ‘ 8  
Ove eagedboossee ®@ .  
. ceocevomoceses SnOne es ©80 ee

The new Communications Director  
  
Betty Friedman, the new Communications Director, hired a firm  
  
teem Lm Cat Cem OUP ie Tm Umea uetilce) cel  
problems in the company and to come up with recommendations  
for improvement. Read this extract from the report.  
  
   
  
NEY o?  
mL  
  
   
   
   
   
   
  
   
   
  
.. ae wot as “as j  
  
. am) rn 2 oe - Po, a nen oo  
  
ee . ats yy om’. tt: wo  
' , e . Os . e \*  
  
eS hee  
REPOS ah  
“ és.  
RM r  
6 oe v0.4  
! ee  
  
eee wae.  
mee  
1 @ me  
  
   
  
1 Internal communications  
  
Problem:  
Communications between Directors and Heads of  
Department need to be improved.  
  
   
   
   
   
   
   
   
   
   
   
   
   
  
Recommendations:  
e Heads of Department should send weekly reports to  
  
- the Board of Directors. This would enable Directors to  
w keep in touch with key developments in the company.  
  
   
  
A new manager should be appointed to be in charge  
of key accounts, such as the Lawrence Discount  
stores account. He/She would ensure that key  
customers were given personal attention.  
  
   
  
2 Sales reps/Head Office  
  
Problem:  
Head Office is not receiving information quickly from sales  
representatives. This has resulted in delays in processing  
  
orders and insufficient information about customers.  
  
   
   
   
   
   
   
  
4) CD1.7 William Hooper is talking to Betty  
Friedman. Listen to his reaction to the consultants’  
recommendations and summarise his attitude  
  
to weekly reports, appointing a new account  
manager, and defective products.  
  
   
   
   
   
  
   
   
   
  
   
  
Recommendation:  
Issue all sales reps with BlackBerry devices and instruct  
reps to send daily reports to the Sales Department.  
  
   
   
   
   
  
   
  
3 Customer Services Department  
  
Problem:  
The department needs a new procedure for dealing with  
product complaints.  
  
   
  
Recommendation: 4)) CD1.8 Listen to Joanna Merkowitz, a sales  
  
Any complaint about a product which has health and representative, talking to Betty Friedman about  
Safety implications should be forwarded immediately to the consultants’ recommendations. Why is she  
the following departments: Marketing, Research and against giving daily reports? Why does she enjoy  
Development, Public Relations. her job so much?  
  
1 Work in small groups. You are members of the Board of Directors.  
Discuss each of the consultants’ recommendations. Decide  
whether you agree or disagree with each recommendation, noting  
down your reasons.  
  
Consider any other ideas that your group has to improve  
communications in WCH.  
  
Watch the Case study commentary on the DVD-ROM.  
  
   
  
Writing  
As Communications Director at WCH, write a follow-up e-mail to the Head of  
Ward Associates, summarising the decisions you have taken, with your reasons.  
  
Writing file page 127  
13