

Contemporary Issues in Management

Module code: BMBM6008

Written by: JIACHENG SU

Student ID:2304166

Date December 15

In today's business environment, management issues have become increasingly complex. The trend of globalisation, the rapid development of technology, the fierce competition in the market and the diversified needs of employees have all posed new challenges to the management of enterprises. How to change management strategies, adopt new operation plans, cope with risks as well as satisfy the needs of employees and customers are the problems that contemporary managers need to face and solve.

Contemporary business management issues arising from Costa Coffee: How to identify problems and improve them by determining management style

contents

1.0 introduction.....	2
Case	3
2.0 Main body	3
2.1 Roles leading to management problems with the scientific management ethics used by costa coffee	3
2.1.2 Costa's coffee adopts scientific management theory	3
2.1.3 Strengths and weaknesses of scientific management theory	4
2.1.4 Evaluate—CostaCoffee's—Ethics—Employees Environment CSR	4
2.1.5 Roles and deficiencies leading to problems	5
2.2 costa coffee adopts alternative management styles to avoid problems	5
2.2.1 Evaluate the benefits and advantages of an authoritarian management style for costa coffee and how to determine the management style	6
3.0 Scientific Management Theory Definition	6
3.1 Challenges to scientific management	7
3.1.1 Critically evaluate the negative impact of scientific management theories on organisations	7
3.2 Assess whether scientific management theories are mainstream or critical management theories	8
3.2.1 Differences between mainstream management theory and critical management ethics	8
4.0 conclusions	9
5.0 Recommendation	9
6.0 Reference	11

1.0 introduction

With the evolution of management theories, scientific management theory has been applied in many enterprises due to its emphasis on efficiency. However, the theory also faces many challenges in practice. The purpose of this paper is to explore the problems arising from the adoption of scientific management theory in cost coffee and to propose corresponding improvement measures. by analysing the internal management processes of cost coffee, it is found that the theory may lead to problems such as decreased employee satisfaction, lack of innovation and poor communication within the organisation while increasing productivity. In order to improve these problems, this paper suggests that cost coffee should pay attention to the individual differences of employees, improve the flexibility of the working environment and implement a more humane management model. At the same time, the establishment of teamwork and communication mechanisms should be strengthened to facilitate the flow of information and knowledge sharing. The findings of this paper are not only instructive for the management improvement of cost coffee, but also provide valuable references for other enterprises adopting scientific management theories.

Case

In August 2019, the BBC reported that staff working at Costa Coffee shops run by franchise partner Goldex Investment Essex Ltd claimed poor working conditions. This included, deductions from wages due to training costs and lateness, as well as resulting in workers being underpaid and employees having to sign unwritten contracts. Another report in the news then raised more employee concerns, including managers allegedly refusing to pay for sickness or annual leave, employees working outside of their contracted hours, and employees not receiving tips. Costa Coffee employees have expressed dissatisfaction with the company's working conditions and treatment. Employees reported that their work was stressful and often required them to work overtime, and that they were not paid accordingly, and that there were problems with deductions from holiday pay.

2.0 Main body

2.1 Roles leading to management problems with the scientific management ethics used by costa coffee

The managerial role studied in this report is that of the manager in an organisation, who is responsible for developing and implementing strategic plans to ensure that the organisation achieves its long-term goals. they should be able to provide a clear vision and direction to motivate employees to achieve common goals, and managers need to establish and maintain the company's corporate culture and ensure that employees understand and accept these values and behavioural norms. (Michelucci et al., 2016).

There are several reasons why COSTA Coffee managers use scientific management theory, as it focuses on the careful study and optimisation of work processes, which can effectively improve efficiency.(Brown, 1984) For example, COSTA Coffee may shorten the production time by optimising coffee roasting and preparation to improve the efficiency of employees. Ensure quality: Scientific management theory emphasises standardisation and normalisation, which helps to ensure the quality of products and services. the high standard of COSTA Coffee's production process and strict adherence to standardised processes can ensure the quality of each cup of coffee. Improve management level: scientific management theory emphasises data analysis and decision making, which helps to improve management level. costa coffee may be able to rationally formulate marketing strategies and business decisions through data analysis, thus improving the overall management level(Walker, 1913).

2.1.2 Costa's coffee adopts scientific management theory

Managers at Costa Coffee use scientific management theory because it emphasises on improving efficiency and productivity in order to achieve business goals.Costa Coffee applies this theory by

standardising and systematising its work processes and operations. For example, the company sets precise steps and times for making coffee to ensure a consistent product every time it is served. In addition, Costa Coffee uses scientific management theory to optimise its supply chain and inventory management to reduce waste and increase efficiency (Taneja et al., 2011).

2.1.3 Strengths and weaknesses of scientific management theory

Benefits of Scientific Management Theory Increased Efficiency By analysing the workflow and identifying the most efficient methods, efficiency can be significantly increased. Standardisation provides a consistent method of working which reduces error rates and increases production on the production line. Increased productivity Productivity can be increased by dividing up the work and allowing employees to focus on what they are good at. Ease of training: since the workflow is broken down into simple tasks, it is easy to provide training to employees. Scientific Management Theory Disadvantages Neglecting the Human Factor Scientific management theory focuses on efficiency and productivity, but tends to neglect employee satisfaction and morale. This may lead to lower job satisfaction among employees and affect their performance. Limiting Innovation Scientific management theory's standardisation and normalisation may limit employees' ability to innovate and be creative. Excessive division of labour Although excessive division of labour may increase efficiency, it may lead to boredom and dissatisfaction among employees, which may affect their motivation and loyalty. Not Applicable to All Jobs Scientific management theory is mainly applicable to production line jobs and may be less applicable to jobs that require creativity or decision-making skills. (Selimović, 2022).

2.1.4 Evaluate—Costa Coffee's—Ethics—Employees Environment CSR

Environment Costa Coffee has also made great efforts to be environmentally friendly. They promote the use of renewable resources, reduce carbon emissions, and take various measures to save energy and reduce waste generation. In addition, they have introduced some environmentally friendly products, such as recyclable coffee cups, to further reduce their impact on the environment. (CSR) Costa Coffee attaches great importance to CSR, and they actively give back to the society through various ways. (Carroll, 2021) For example, their "Costa Foundation" charitable foundation provides educational opportunities for children in coffee-growing regions around the world. They also frequently organise public welfare activities and participate in community services, which have won them wide acclaim from the society (Chang, 2011). Costa Coffee has some unethical behaviors towards employees, which have resulted in damage to employees' interests. From a moral perspective, treating employees fairly, respectfully and kindly is considered an important part of the company's social responsibility. Mistreatment of employees by companies may violate business ethics and moral principles, which will not only lead to a decrease in employee satisfaction and loyalty, but may also bring legal risks and have a negative impact on the company's public image (Moorman et al., 1993).

Businesses should follow the principle of fairness and ensure that all employees are treated fairly, regardless of their gender, race, beliefs or other personal characteristics. At the same time, they should respect the human rights of their employees by providing a safe and healthy working

environment and respecting their rights and interests at work, such as paying reasonable wages, ensuring rest time and avoiding overwork. In addition, companies should actively build a positive corporate culture that encourages employees to express their opinions, provide feedback, and participate in decision-making. When a company morally respects and cares for its employees, the employees usually develop a stronger sense of loyalty to the company, which leads to increased efficiency and overall company productivity. From an ethical standpoint, a company's good treatment of its employees is an important part of its success, and is at the heart of corporate social responsibility (Eib & Soenen, 2017) Costa Coffee, as a large chain of coffee shops, is part of a well-known company that should pay attention to the welfare and development of its employees. A series of employee training programmes are provided for employees to help them improve their skills and professionalism. At the same time, it should also pay attention to the working environment and work-life balance of the employees, providing a good working environment and rich employee activities (Wiley & Kowske, 2011).

2.1.5 Roles and deficiencies leading to problems

Because managers' decisions lead to problems and the inadequacy of scientific management Ignoring change, the management style of Costa Coffee using scientific management is usually biased in favour of maintaining the status quo and lacks focus on and response to change and innovation priorities Response. Excessive focus on short-term benefits Scientific management focuses on short-term productivity and profits, sometimes at the expense of long-term development and sustained growth. Excessive normalisation and standardisation may limit employees' ability to innovate and be flexible. It may also lead to employee dissatisfaction and complaints about the damage done to them by the organisation (Tannenbaum, 1950).

2.2 costa coffee adopts alternative management styles to avoid problems

Managers of Costa Coffee whose management style may adopt a democratic management style The democratic management style is reflected in the fact that the company encourages employees to give their opinions, participate in decision making and provide feedback through various channels. At the same time, Costa Coffee may also adopt a certain degree of authoritarian elements, for example, senior leaders may have greater decision-making power in brand strategy and certain key business decisions (Gould, 2002) In addition, the company may allow a high degree of autonomy for employees in certain areas, such as in specific practices of customer service and shop operations, which border on a laissez-faire style. However, management styles are not static and unchanging, but adapt and change as the organisation grows, the market environment changes and the internal culture evolves. Therefore, although Costa Coffee may exhibit some aspects of the democratic management style, its management style may contain elements of multiple styles to suit different contexts and needs (By, 2005).

2.2.1 Evaluate the benefits and advantages of an authoritarian management style for Costa Coffee and how to determine the management style

The benefit of an authoritarian management style is the ability to make quick decisions. Since decision-making power is centralised in the hands of a few people or a single leader, this can speed up the decision-making process, especially in situations that require a quick response. Clear Instructions and Responsibilities With an authoritarian style, employees usually receive clear instructions and expectations, which can reduce confusion and increase productivity. Controlling In the face of an emergency or crisis, an autocratic manager is able to take quick action and implement the necessary controls to ensure that things are stable. The downside of an authoritarian management style is that it curtails employee innovation and creativity. Since employees have fewer opportunities to participate in decision-making, it may limit their motivation to come up with new ideas and innovations. Lack of teamwork Authoritarian style may inhibit teamwork and lead to a tense work environment and a lack of co-operative atmosphere. Over-reliance on the leader When all decision-making is centralised in the leader, the organisation may be over-reliant on the ability and judgement of a single individual, increasing risk. It is important to note that the applicability of any management style is relative and may need to be adapted as a result of changes in the organisation's internal and external environment (Sindakis).

Costa Coffee can strike a balance between democracy and freedom to adapt to different markets and cultural environments. In addition, as corporate social responsibility and employee well-being are increasingly valued, more and more organizations are leaning towards more inclusive and participatory management styles. In practice, not all Costa Coffee managers adopt an authoritarian management style (Boz, 2019).

Individual regional shops are managed differently, and the management style of an organisation depends on a variety of factors, including company culture, industry characteristics, management beliefs, employee expectations, and the specific environment in which the organisation operates. Therefore, changes can be made to the management style according to different environments in order to adapt to the local business environment and conduct better business activities (Iqbal et al., 2020).

3.0 Scientific Management Theory Definition

Scientific management theory, also known as Taylorism, is a management theory proposed by American engineer Frederick Winslow Taylor in the late 19th and early 20th centuries. (Taylor, 2004) He advocated the organisation and management of work through the scientific method in order to increase productivity and economic efficiency. Taylor advocated that managers use the scientific method to discover the most effective ways of doing work through empirical evidence and experimentation, and then teach these ways to their employees. He proposed principles and methods of management such as job analysis, standardisation, timekeeping and piece-rate pay (Uddin &

Hossain, 2015).

The central idea of scientific management theory is to maximise productivity. Its main approach is to motivate employees to improve their efficiency by improving work methods and tools, measuring work accurately, implementing scientific personnel selection and training, and rationalising the remuneration system (Taylor, 2023). Scientific management theory has changed the traditional management style to a certain extent and has had a profound impact on the development of modern management theory. However, this theory has also been subject to some criticisms, mainly because it ignores human emotional and social needs and places too much emphasis on efficiency and control, which may lead to a decline in employee satisfaction and morale (Huang et al., 2013).

3.1 Challenges to scientific management

Scientific Management Faces Human Nature Challenges Scientific management often ignores human nature factors such as employee satisfaction, work pressure, and innovation. Over-emphasis on efficiency and productivity may lead to low employee morale and affect work effectiveness.

Challenges of Change Scientific management requires a complete overhaul of existing work processes, which may be resisted by employees and therefore requires a lot of effort to drive change.

Challenges of management Scientific management requires detailed breakdown and planning of work, which requires high demands on management, which needs to have sufficient professional knowledge and management skills.

Challenges of Adaptability Scientific management theory may not be applicable to all types of work, especially those that require innovation and decision-making, and therefore needs to be adapted flexibly to the actual situation.

The Challenge of Job Satisfaction Excessive job disaggregation may lead to a decrease in job satisfaction among employees as they may feel that their jobs lack challenge and meaning.

Challenges of Employee Training Scientific management requires a lot of training of employees which may consume a lot of time and resources (Drucker, 2012).

3.1.1 Critically evaluate the negative impact of scientific management theories on organisations

Scientific management theory's over-control of the work process advocates strict control and monitoring of the work process, which may deprive employees of their autonomy and cause stress and dissatisfaction.

Neglect of knowledge work: scientific management theory is mainly proposed in an industrial production environment and may have limitations in the management of knowledge work (Caldari, 2007)

Overemphasis on the economic aspects of motivation Scientific management theory emphasises on increasing employee productivity through economic incentives and ignores non-material forms of motivation such as recognition and achievement.

Leads to unequal power relations Scientific management theory emphasises managerial control over employees, which may lead to unbalanced power relations within the organisation, leading to conflicts and contradictions (Taylor, 2004).

3.2 Assess whether scientific management theories are mainstream or critical management theories

The theory was revolutionary in management practice at the time, introducing the idea of improving work processes and labour efficiency through scientific methods, which had a profound impact on subsequent management and industrial engineering. Scientific management theory initially emerged as a mainstream management idea, particularly in the context of the industrial age in which it was proposed, and the standardisation, job analysis and incentive systems it advocated played a key role in enhancing industrial productivity. For a long period of time, scientific management theory was widely accepted and applied, especially in those labour-intensive and production-oriented enterprises. However, with the passage of time and the development of management science, the limitations and problems of scientific management theory have gradually been revealed and criticised. In particular, the scientific management theory has been questioned by the critical management school in terms of considering human factors, organisational culture and employee satisfaction (Bookwalter Drury, 1918).

The critical management school has not only questioned the basic assumptions of scientific management theory, but also explored its impact on employee well-being, workers' rights, and the social structure. In today's management practice, scientific management theory is no longer the only dominant management idea, but some of its principles and tools are still applied in production and operations management. Modern management theory and practice places more emphasis on comprehensiveness and balance, combining the efficiency principles of scientific management theory with more holistic concepts such as humanistic management, participatory management, and situational management. Scientific management theory can be seen as an early mainstream management theory, but in today's management science it is considered part of management thinking that needs to incorporate other theories and approaches, as well as being the subject of critical management studies (B. Dent & Bozeman, 2014).

3.2.1 Differences between mainstream management theory and critical management ethics

The main differences are reflected in the perspectives and approaches; mainstream management theories are usually more positivist, emphasising scientific, objective and rational approaches to management, e.g. Scientific Management Theory, Systems Theory, Decision Theory, etc. Critical management theories, on the other hand, tend to favour critical thinking and focus on issues of power, ideology and social justice, e.g. Marxist management theory, feminist management theory, etc. With regard to the view of people, mainstream management theories usually regard employees as resources or tools with the goal of improving efficiency and effectiveness. In contrast, critical management theories emphasise the humanity, individuality and sociability of employees, arguing that managers should respect the rights of employees and improve employee satisfaction and well-being as well as, views on organisations, mainstream management theories emphasise the goals and tasks of organisations, with the ultimate goal of achieving organisational effectiveness (Hewege, 2012).

Whereas critical management theory is more concerned with organisational power structure, organisational culture and social responsibility and criticises organisational injustice and inequality. There are also views on management practices, with mainstream management theories tending to provide managers with tools and techniques to help them manage their organisations more effectively. Critical management theories, on the other hand, theorise management practices more from a critical and reflective perspective in order to reveal and change the drawbacks and problems of management (Visser, 2010).

4.0 conclusions

This report assesses the role of scientific management ethics adopted by Costa Coffee leading to management problems and the adoption of scientific management theory by Costa Coffee. Strengths and weaknesses of scientific management theory from Costa Coffee Ethics and Employee Environment and CSR Role and weaknesses leading to problems. Summarises and provides solutions for Costa Coffee. How to adopt other alternative management styles in order to avoid problems. Evaluate the benefits and advantages of an authoritarian management style for Costa Coffee and how to determine the management style. Define scientific management theory. Challenges facing scientific management. Critically evaluate the negative impact of scientific management theory on organisations. Evaluate whether scientific management theory is mainstream or critical. Evaluate the differences between mainstream management theory and critical management ethics.

5.0 Recommendation

If Costa Coffee decides to change its current management ethos and management style for corporate change, here are some suggestions which are aimed at improving employee engagement, innovation and overall business performance by implementing participative management: encouraging employees to participate in the decision-making process and listening to their opinions and suggestions. This participation can be achieved through regular staff meetings, team meetings or through internal surveys. Strengthen internal communication, enhance transparency and ensure the free flow of information. When employees have a clear understanding of the company's goals and strategies, they are better able to understand their role and value in the company. Strengthen team building and promote collaboration and trust among teams through team building activities and co-operation projects. Teamwork increases productivity and promotes innovation.

Use a goal and feedback system to set clear goals and provide regular feedback. This allows employees to understand their performance and make continuous improvements. Create new rewards and incentives. Create a fair incentive scheme to reward employees for good performance and outstanding contributions. This increases employee motivation and loyalty. Flexibility in working arrangements. Provide more flexibility in working according to the needs of employees, such as remote working options or flexible working hours. This helps to increase job satisfaction and productivity.

encourage employees to continuously improve and innovate, and constantly look for ways to

improve work processes and products. Innovation is not just about products, but also about work methods and business processes. Undertaking business change takes time and effort and may meet with resistance. Therefore, the process of change should be gradual, and managers should communicate fully with their employees and seek their feedback and support throughout the process. In addition, the success of the change depends largely on management's leadership and commitment to the change, as keeping promises is so important to the employees.

6.0 Reference

- B. Dent, E., & Bozeman, P. (2014). Discovering the foundational philosophies, practices, and influences of modern management theory. *Journal of Management History*, 20(2), 145-163.
- Bookwalter Drury, H. (1918). *Scientific management: A history and criticism*. Columbia University Press.
- Boz, İ. T. (2019). Management Style as a Strategic Tool and Its Effects on Organizational Results. In *Handbook of Research on Managerial Thinking in Global Business Economics* (pp. 164-178). IGI Global.
- Brown, M. A. (1984). Ethics and management style. *Journal of Business Ethics*, 3, 207-214.
- By, R. T. (2005). Organisational change management: A critical review. *Journal of change management*, 5(4), 369-380.
- Caldari, K. (2007). Alfred Marshall's critical analysis of scientific management. *The European Journal of the History of Economic Thought*, 14(1), 55-78.
- Carroll, A. B. (2021). Corporate social responsibility: Perspectives on the CSR construct's development and future. *Business & Society*, 60(6), 1258-1278.
- Chang, C.-H. (2011). The influence of corporate environmental ethics on competitive advantage: The mediation role of green innovation. *Journal of Business Ethics*, 104, 361-370.
- Drucker, P. (2012). *Management challenges for the 21st century*. Routledge.
- Eib, C., & Soenen, G. (2017). 15 Treat Their Employees Fairly? Definition, Relevance, and. *An Introduction to Work and Organizational Psychology: An International Perspective*, 276.
- Gould, C. C. (2002). Does stakeholder theory require democratic management? *Business & Professional Ethics Journal*, 21(1), 3-20.
- Hewege, C. R. (2012). A critique of the mainstream management control theory and the way forward. *SAGE open*, 2(4), 2158244012470114.
- Huang, K.-P., Tung, J., Lo, S. C., & Chou, M.-J. (2013). A review and critical analysis of the principles of scientific management. *International Journal of Organizational Innovation (Online)*, 5(4), 78.
- Iqbal, Z., Niazi, A., & Hassan, H. (2020). Autocratic, Democratic, Transformational and Charismatic Leadership Styles and Contingency of Different Performance Outcomes in SMEs. *Journal of Business & Tourism*, 6(1), 391-407.
- Michelucci, F. V., De Marco, A., & Tanda, A. (2016). Defining the role of the smart-city manager: An analysis of responsibilities and skills. *Journal of Urban Technology*, 23(3), 23-42.
- Moorman, R. H., Niehoff, B. P., & Organ, D. W. (1993). Treating employees fairly and organizational citizenship behavior: Sorting the effects of job satisfaction, organizational commitment, and procedural justice. *Employee responsibilities and rights journal*, 6, 209-225.
- Selimović, I. (2022). Advantages and Disadvantages of Principles of Scientific Management and Lean Organisation. *Challenges of the Future*, 7(1).
- Sindakis, S. Autocratic Leadership: Examining the Pros and Cons of Command and Control.
- Taneja, S., Pryor, M. G., & Toombs, L. A. (2011). Frederick W. Taylor's scientific management principles: Relevance and validity. *Journal of Applied Management and Entrepreneurship*, 16(3), 60.

- Tannenbaum, R. (1950). Managerial decision-making. *The Journal of Business of the University of Chicago*, 23(1), 22-39.
- Taylor, F. W. (2004). *Scientific management*. Routledge.
- Taylor, F. W. (2023). the Rise of Scientific Management. *The Quantified Worker: Law and Technology in the Modern Workplace*, 9.
- Uddin, N., & Hossain, F. (2015). Evolution of modern management through Taylorism: An adjustment of Scientific Management comprising behavioral science. *Procedia Computer Science*, 62, 578-584.
- Visser, M. (2010). Critical management studies and “mainstream” organization science: A proposal for a rapprochement. *International Journal of Organizational Analysis*, 18(4), 466-478.
- Walker, A. (1913). Scientific management applied to commercial enterprises. *Journal of Political economy*, 21(5), 388-399.
- Wiley, J., & Kowske, B. (2011). *Respect: Delivering results by giving employees what they really want*. John Wiley & Sons.