

Module Name: People and Organisations

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Assignment Name: StitchCo Improvement

**Group: Joseph McCarthy, Dylan Thomas,
Finlay Catling**

Student Number: 2501615

Lecturer: Robyn Griffiths

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StitchCo's failure can be mapped against Lewin's (1951) three stage change model, where management did not successfully prepare the workforce. The company's pre-existing Tayloristic design, consisting of close supervision from management and a piecework pay system that rewarded individual output, clashing majorly with the new need for collaboration between employees and a distributed leadership.

Firstly, StitchCo failed to prepare their employees for the technological change, which resulted in lowered productivity and a major decline in motivation. During the unfreeze stage, employees were not prepared for the change, resulting in low readiness (Vakola, 2013). Older employees feared being made redundant and their skills becoming irrelevant at work (Kanter, 1995)

Secondly, management lacked proper communication channels for employees to contact leadership. They gave instructions rather than being involved with employees. This meant employees began to lack a sense of significance in their work and their ability to understand the change fell. The lack of a two way communication channel meant workers' concerns couldn't be properly voiced, causing the spread of misinformation, and increasing anxiety and resistance (Smith & Lewis, 2020)

Finally, StitchCo attempted to switch from their original transactional style (Bass, 1990) to their new desired transformational and distributed leadership model. However, managers received no training in helping the new autonomy, they instead delegated responsibilities without giving a reason, help or feedback where it was needed, which in turn caused workers to see this as abandonment from management increasing uncertainty, meaning they fell back to their old familiar ways.

Four Step Change Plan

For StitchCo to successfully recover from the failure and effectively integrate the new technology into the workforce, they must execute a multi-step strategy focused on leadership, trust and motivation. The purpose of these steps is to move away from the previous culture to a more supportive and participative culture.

Effective leadership will be the essential first step for the company to regain lost employees, reduce absenteeism and rebuild trust and motivation. StitchCo's management must forget its old transactional style and adopt the new participative leadership approach (Northouse, 2021).

StitchCo must implement new participative leadership training, helping them coach, communicate and support employees effectively. This will help workers understand the new technology and boost autonomy, this being the original goal StitchCo aimed for. Leaders must gain the necessary skills such as communication and support to successfully aid in the distributed work. Another critical step in the use of mentoring programs, helping rebuild the sense of belonging that was threatened by the sudden change, StitchCo needs to introduce mentoring relationships between management and employees. This will directly address the issues between employees safety needs and sense of belonging (Maslow, 1943) which are preventing them from achieving higher level needs

StitchCo will need to address the issue of job insecurity, as it threatens basic hygiene factors (Herzberg, 1966). Another major step StitchCo needs to take is reaffirm job security. They need to let employees know that their job will be unaffected by the new technological change. Retraining programs will also be essential to help strengthen job security and reduce anxiety between workers, reducing absenteeism.

The third step StitchCo will need to implement is proper communication channels for employees to contact leadership when needed. Another necessary improvement is transparent communication channels such as routine meetings, constant feedback and other ways employees can voice their concerns and increase their trust with leadership (Smith & Lewis, 2020).

Finally, management will need to introduce motivators, such as recognition and growth opportunities like promotions, which were previously absent. Reward systems will be crucial for employees to innovate and succeed in their jobs. The rewards will be an effective way for employees to enjoy their work. The addition of celebrating milestones will help restore morale and encourage engagement in employees' work.

Addressing these needs, concerns and issues isn't optional for StitchCo, it is crucial to rebuild the strong and trusted workforce they once had.

Failure to do these steps will lead to StitchCo continuing to struggle with the technological change as well as the drop in motivation and productivity. If StitchCo can successfully implement these changes, they will see the benefits they had originally hoped for when they brought in the new technology. Viable change requires proper leadership, open communication between employees and management and a supportive culture.

References

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Presentation Link: [StitchCo Presentation Video \(Fin, Joe, Dylan\).mp4](#)