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Foxconnian culture: An operational crisis abetted suicides

Karampolas Christos^{a,*}

^a*University Of The Aegean, University Hill, Mytilene 81100, Greece*

Abstract

After the publication of data in the media on suicide at Foxconn and direct incrimination of the organizational culture, created the need to respond to the company's management reports. The image of the company is irretrievably fact that the first time was not considered a threat to the company. The situation got worst and worse because at the new cases of suicides in the early 2011. It was the first time the company realized that the management staff seemed not to go well. Parameters such as leadership style job satisfaction, work environment, job burnout and the management of information from the media are first placed under the microscope of the management of Foxconn.

In all its communication company managers insisted that the treatment of employees was "world class" and no one can argue with that. The Foxconn, in response to international survey, insisted that "offers its employees a very healthy and productive work environment by ensuring the many benefits." Foxconn's management stated that it was not the style of leadership was to blame for the consecutive suicides, or working conditions or methods of rewarding employees. The company spokesman Edmund Ding said the incidents were due to "personal problems" of employees who have made suicide attempts. He stressed that all suicides were from the "class" of Nongmingong, which made them more vulnerable against high operational requirements.

The human resources department of the company in a statement to the media confirmed that the incidents of suicides due to immaturity and fragility of the character of those who have committed, stressing that those belonging to groups of new immigrants from the provinces, highlighting the reluctance of the administration to consider the factors occupational burnout probably exhausted mentally and physically employees.

The company's management insisted on the position that it bore no responsibility for suicide even when suicides receiving alarming society of Shenzhen. The CEO of Foxconn, Terry Gou, said the unanimous unwillingness of the company management to take measures to tackle the ever increasing suicides at Foxconn. At the same time Apple emphasized the wrong attitude of the administration towards handling Foxconn suicides. The problem of lack of communication over the local community of Shenzhen and society Foxconn, froze on degrading the urgent need to find solutions from the company's management.

For the Apple, Foxconn's main concern should be to ensure a healthy working environment for its employees and the opening of the company in academic research, in order to clarify the operational and social factors that drive employees to the job

* Corresponding author. Tel.: 0030 6945017810 ; fax: 0030 2105814551.

E-mail address: mba10001@ba.aegean.gr

exhaustion. The event is supported by Daisey and Glass (2012), which suggest through their research on the grant of the responsibilities of HR to external managers-probably from Europe or America-from countries that have formed political management of workers with more favorable terms.

At this point, however, we should emphasize that the "Foxconnian Culture" places restrictions on research on issues that affect them and the management and dissemination of information out of it. This is in complete alignment with the national culture of China in accordance with the theory GLOBE ranks highly in countries favoring occultism and lack of communication problems.

This means that the culture of Foxconn would be difficult to put on a new foundation that would give priority to solving the problems rather than the communication itself or this ban.

Two years after the business crisis faced by successive Foxconn suicides of employees, we want to study in this article the changes requested to do to deal with the consequences. What changes have been invited to make the administration to meet the company to adverse comments in the media; What was the stimulus and what its response to this; The largest electronics manufacturer in the world, was invited in 2010 to deal with a large corporate crisis that brought the face of social disapproval. But it seems that he tried to change data concerning both the internal culture and its management to respond to the problem. In this article we study the transformations that had to do Foxconn to meet society's demands for a more human treatment of the problem of suicide in order to formulate effective measures and by making these important operational changes.

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Keywords: Foxconnian culture; suicide; media; operational crisis; occupational burnout

1. Introduction

The company Hon Hai Industry Co, Ltd. - Foxconn is nowadays the largest company in the world which manufacturing and assembling the high-tech electronics and which was founded in 1974 in Taipei by its current CEO, Terry Gou.

The company produces more than 50% of world production of technological products, the amount that seems to be growing steadily since 2010. Foxconn's headquarters which is in one of the most productive areas in the developed world, the district of Shenzhen in southern China. In plants of Foxconn employs over 2,450,000 workers to create more than one third of all technology products in the world for companies such as Apple, Dell, Nokia, Panasonic, Samsung, HP, Lenovo and Sony. The production capacity of the company has led to its contribution to the global economy of \$ 43 billion. Under the leadership of founder and CEO, the Foxconn appears to be the most reliable partner of the global economy electronics operating in external benefits to other companies (outsourcing).

The company faced at the beginning of 2010 a very important operational crisis due to the successive suicides of workers in this and their management on the part of the administration to the media. In a few months the company's management was faced 12 consecutive suicides and especially social outcry fact, both the local community of Shenzhen and the media rushed to cover news in fact suicides. For several days the administration department of Foxconn was confronted with disparaging news media as they broadcast that responsible for the suicides was the management of the news from the company itself and the rigorous style of leadership.

This article explains how the administration of Foxconn defended its reputation and how it chooses appropriate communication strategies to manage its communications crisis. We will study why these strategies failed and what operational changes had to be made by the administration to come if the crisis.

Our findings suggest that Foxconn has decided to pursue a joint response strategy, trying to counter the negative news media and the rumors of the local community. Initially refused to take responsibility for the suicides. The failure to manage the crisis communication of Foxconn in the early stages would say that due to the fact that relations between stakeholders (workers-government-media) were not close and failed to recognize the media as an important contributor to the operational image. The change of leadership style and direct communication with the media-managed to pose significant operational changes which led to Foxconn to decrease the negative impact of suicide on public image.

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