

When Salvaging Scrap Reveals Larger Issues: Managerial Communication and Inventory Management Issues at Jensen Industries

(Author Name)

(Author Name)

(Author Name)

Abstract

This decision-based incident describes Karl Jones' quandary about how to handle both an inaccurate accusation made about him and his materials department in a staff meeting and also how to manage long-term interdepartmental tension about accounting for inventory and improper use of Enterprise Resource Planning (ERP) software. Karl served as materials manager for Jensen Industries (JI), a specialized plastics manufacturer in the Eastern US. He and his materials department were blamed in a staff meeting for a lack of inventory to finish a specialized medical tubing job. Karl's investigation revealed that manufacturing had inadvertently discarded the needed plastic tubing as garbage due to problems with JI's new ERP system and failure to rework scrap material properly. Thus, Karl is left wondering both how to professionally handle the misplaced accusation in the short-term and how to deal with managerial communication and material handling issues at JI in the long-run to both ease tensions and better complete customized jobs.

Learning Outcomes

After completing this assignment, students will be able to:

1. describe why medium sized firms may tend to struggle with organizational change.
2. identify and contrast conflict resolution strategies to resolve difficult issues professionally.
3. debate the pros and cons of advocating for oneself against a false accusation.

Application

This incident is appropriate for use in courses in family business, organizational behavior, operations management, and change management. Critical issues in the incident are conflict resolution, the likelihood of managers to resist change, and the pros and cons of advocating for critical concerns. Class discussions should clearly analyze the advantages and disadvantages of Karl pointing out that he and his materials department were wrongly accused of inventory mismanagement and also how to best approach the more long-term concerns of poor managerial communication, materials mismanagement, and the use/lack of use of JI's new ERP system.

Key Words

Managerial Communication, Family Firm, Inventory, Conflict Resolution, Enterprise Resource Planning

Contact