國立嘉義大學 97 學年度
管理研究所博士班招生考試試題

科目：個案分析

一、Procter & Gamble

Meanwhile, Procter & Gamble (P&G) had already turned to simplification to begin reversing its long history of unbridled line extension and product proliferation. When P&G cut its marketing staff by 30% between 1993 and 1995, it did so as the first major packaged goods marketer to commit to weeding out unnecessary variations of products and packaging around the world. Among the first categories in which P&G decided to reduce customer choice was hair care products. Starting from a place where there were more than 30 varieties of Head & Shoulders shampoo alone, P&G reduced formulas and packaging variations until the company's total number of hair care SKUs were cut by half. Less choice for consumers, yet P&G market share has increased steadily every year since. So what may have begun as a cost-cutting measure at P&G became a win-win for consumer and marketer alike. When fewer than 10% of household and personal care product account for more than 80% of sales, that's a pretty strong clue that shoppers' (and retailers') lives are unnecessarily cluttered with product variations few people really care much about.

Questions:

1. After reading the preceding article, please describe your comprehension of article in 150~200 words. (20%)
2. If you were the CEO of P&G company, would you take the same business management policy? Why or Why not? (20%)
3. What are the three key words (or phrases) that are most related to the article? (10%)

二、Downsizing

The most painful aspect of downsizing is deciding what to do with the manager and professionals whose jobs are declared "surplus." Companies vary widely in the ways they deal with these surpluses. Consider, for example, Tenneco in Houston, Texas, where 1,200 employees were laid off over six-week period. According to eyewitness accounts, many of them first found out they were no longer employed when armed guards appeared on their office floors early in the morning, with boxes for them to use in clearing out their desks. The stunned workers were given 20 minutes to leave the building and were watched by the guards as they packed up their belongings and emptied their lockers at the company gym. Those managers who had come to work in company cars or van pools were given coupons for taxi rides home.

Said one angry ex-employee to the *Houston Business Journal*: “This was at best an outrageous and unnecessary slaughter of human self-respect and dignity. Tenneco obviously planned the day well in advance. More than 250 boxes were ordered and stockpiled for use by laid-off employees. The cab coupons also were purchased in advance. A line of cabs formed with amazing quickness around Tenneco’s downtown headquarters to cart all the terminated employees away.”

Contrast the situations of these employees－and those of their “more fortunate” coworkers who remained employed－with those of Hewlett-Packard’s workforce as that company went through hard times in the 1980s. At that time, the entire electronic industry suffered a drop in orders, and most companies were laying off people in significant numbers. At Hewlett-Packard, estimates indicated that it was necessary to cut back 10% in both output and payroll to match the decline in orders. The obvious solution would have been to follow its competitors and lay off 10% of the workforce. Top management, however, was committed to avoiding layoffs. After considerable discussions, novel solution surfaced. Management decided to require everyone from the president to the lowest-paid employees to take a 10% cut in pay and to stay home every other Friday. By distributing the “pain” across organizational levels, Hewlett-Packard avoided both the human resources loss and the human costs associated with layoffs.

Credit for the company’s committed workforce, in a Silicon Valley of job hoppers, has to be attributed partly to practices such as these. A key part of Hewlett-Packard’s business strategy is based on maintaining a strong corporate culture. Culture is something lived by people, high turnover makes it almost possible to keep a clear set of values within all members of the organization. A 10% layoff would have severely injured the H/P culture; the increased voluntary turnover that most likely would have damaged the firm for years after the layoff would have impeded growth plans and added to overall personnel costs. It is unlikely that Tenneco will, several years away from its sudden cutbacks, come out with a workforce as committed to serving the company as Hewlett-Packard’s.

Questions:

1. What do you think of the downsizing plan of Tenneco in Huston? Considering HRM, would you change anything? Was it planned in advance? (20%)

2. How did Hewlett-Packard achieve a 10% cutback in pay? What were the results? (20%)

3. What is the key part of Hewlett-Packard’s business strategy that contributed to the pay cutback plan? (10%)