



## Assignment 1

Task Force Committee Report: Issues and Solutions

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### Executive Summary

The recent ~~managerial practice~~ <sup>t unethical</sup> within ~~management~~ <sup>es</sup> Wells Fargo has created division and a decline in morale and productivity ~~of company's employees~~. The unrealistic targets and extra pressure on employees <sup>ed</sup> causing ~~them demotivated and result in~~ a rise in turnover. There is a high level of stress among employees and the top management is not effectively <sup>communicating</sup> ~~corresponding~~ with employees on how this issue can be solved. The top management <sup>did not plan effectively</sup> ~~of Wells Fargo went wrong in~~ <sup>created an unethical</sup> ~~the part of planning~~ which ~~ruined its~~ culture and affected the performance of employees and organization. In order to accomplish unrealistic sales targets, <sup>Wells Fargo</sup> ~~it went on~~ <sup>ed</sup> allocating unachievable targets to employees and adopting <sup>ed unethical</sup> ~~wrong~~ practices. <sup>These unethical practices damaged the company's</sup> ~~There was allegation on the~~ reputation and <sup>and caused</sup> ~~image of the firm and many of the employees~~ <sup>to lose their jobs</sup> ~~were terminated~~ because they did not succeed to <sup>ling the</sup> ~~fulfill~~ assigned goals. The corporate culture of the firm can be rebuilt through changing the goals and stimulating the socialization of employees. The morale and productivity of employees can be raised when management evaluates the current strategies and implements changes accordingly. Socialization of employees with each other is important as it unites the different parts of the same organization. Further integrity and honesty should not be compromised at any cost.

## ~~Introduction~~

Wells

~~This assignment discusses a well know organization Well Fargo which is an international and financial service holding company in the USA. As a taskforce committee leader, I present this report that consists of issues restricting organizational efficiency and solutions that can promote organizational efficiency for future growth. This report includes general issues, corporate culture, cultural issues, weaknesses, proposed solutions and executive summary. Leaders propose strategic solutions to promote organizational efficiency.~~

Wells Fargo is known for market capitalization and is the second largest bank on the globe. It has its headquarters in San Francisco and California, USA and has been operating as an international financial service holding company. In terms of holding the number of assets, it keeps the third largest position in the banking sector of the U.S. Wells Fargo holds second largest rank for collecting deposits, providing home mortgages loan, and issuing debit cards. The company has been operational since 1852 and by the end of 2015, it held retail branches up to 8,700 (Wells Fargo, 2017). 700 having well-spread operations in 35 countries with 70 million customers worldwide.

An organization creates a culture for benefiting customers, society and itself but formulating the best possible policies with values can only bring desired results. Wells Fargo is a decentralized corporate structure and sales centric organization. Although a decentralized and sales oriented culture work, but the recent merger with community bank brought negativity and unfortunately failed because the Community bank keenly focused on the sales. The Wells Fargo senior leaders distorted the sales model and spoiled performance management, influencing impelled low-quality sales and practicing unethical behavior.

Goals are designed on the basis of reality, ~~for example, if a sales force~~ <sup>team</sup> is expected to generate \$3 million <sup>n in</sup> <sup>a</sup> revenue ~~this~~ <sup>n of</sup> quarter, they will be assigned to achieve a target of \$4 million <sup>r the</sup> revenue for ~~next~~ <sup>r</sup> quarter. Before setting a target or goal it is needful to research thoroughly whether the goal designed is realistic or not. In the community bank, the targets given to the sales ~~workforce~~ <sup>team</sup> were unrealistic and unattainable. Even though senior management had been continuously pressurizing the sales team to maintain ~~that~~ <sup>ts</sup> unrealistic target and ~~compelling them~~ <sup>ts</sup> for opening fake accounts that resulted in unauthorized and low-quality accounts. It was examined and analyzed that sales integrity was violated as customers were ~~sold those~~ <sup>given</sup> accounts and services ~~those they didn't~~ <sup>did not</sup> need. That unrealistic sales target increased the number of allegations and terminations (Karp & Gonzalez, 2017).

Culture plays a vital role in accomplishing the ~~purpose~~ <sup>goals</sup> of a company's ~~establishment~~ <sup>s</sup>. Wells Fargo has been focusing on its culture since 1852 ~~by~~ <sup>by</sup> creating a positive and friendly environment for its employees. Culture describes the attitude ~~that~~ <sup>goals</sup> employees carry while performing ~~their~~ <sup>their</sup> duties for the organization. Some of the Wells Fargo cultural values are; enjoying similarities and respecting differences, meeting the deadlines, keeping promises, <sup>„ and</sup> listening to each other ~~etc.~~ <sup>o's</sup> Wells Fargo ~~vision is~~ <sup>is to</sup> make it easy for customers ~~to work with them~~ <sup>customers</sup> and ~~make them everlasting~~ <sup>customers</sup> putting their needs as the priority. Ethical standards are the vision, providing a right to customers, leadership, and people as competitive advantage, inclusion, and diversity. The firm is committed toward maintaining the superior standards of professionalism and integrity with customers. Wells Fargo specifically intends to yield relevant high-quality ~~information that can cope up~~ <sup>service and provide</sup> the financial needs of customers.

The particular designed sales model ~~victimized~~ <sup>victimized</sup> the organization. Setting goals for the organization are a part of planning strategy which lies in the hands of senior management. It is

beneficial to spend plenty of time on planning than on correcting the actions afterward. Planning plays the role of director in management. One of the following weaknesses were assessed in the Wells Fargo corporate culture, the culture was compromised and turned negative as integrity was spoiled in order to accumulate sales on the basis of unauthorized and low-quality accounts. Professionalism spirit was spoiled and focused on just making more and more sales. Teamwork, bonding, and mutual trust were lacking in the sales team as a whole. When employees work together for a common purpose they become associates of the organization. In Wells Fargo, members had not been listening to each other because regional managers were not entertained by the senior management when they spoke on a fake account and low quality. The unrealistic goals played a role to promote the unethical practices in the organization which further created worse outcomes. Senior management was not leading, but guiding rather putting pressures on regional managers to meet sales goals. which led to terminations of employees. The stress of sales spoiled the organizational environment and work ethically. demotivated employees to play fairly with customers for the bank.

In order to maintain the same pace of growth, Wells Fargo the firm needs to bring changes in its policies and regulate the same language of rules from upper to lower management. The company should create a corporate culture, teamwork, and motivational strategies are not formed in a proper way to yield results favoring the organization. Furthermore, quality and trust are building blocks of customer retention and both were ignored. The incentives are an effective tool that can keep employees motivated and energetic. The top management should adopt an open door policy to address the concerns and issues of employees and allocate workload wisely. Top management has the quality to transform things that are creating troubles for regional managers and their teams. Leaders of the organization with company are required to focus on determining the culture within their policies (Leroch, 2014). The goals are needed to be set again on the basic market research and competitiveness. Goals should be

realistic and within the scope of resources held by the organization. Employees should be given training of listening and guidance how to cooperate with each other to attain the same goal.

Roles and responsibilities must be clearly assigned to them (Hoegl & Gemuenden, 2001). The following solutions are proposed to be implemented for removing the obstacle of weaknesses.

Work calibration according to individual's ability and ambition. Employees' social timing should be increased within the office timing so that they can share their views and share bonding.

Encouraging self-independence, allowing individuals stress-reducing mechanism over the "what, when, where, and how" of work. Certifying that extrinsic and intrinsic payments are appropriate with perceived employees' contribution.

Finally, a workplace wellness program should be implemented that provides employee guidelines and supportive staff to use in their work as well as resources that can support lessen anxiety. The severity of anxiety or stress can be judged by the facts provided by Harvard's scholars who estimate that stress causes around 100,000 deaths at workplace every year and accounts for a maximum of \$200 billion in healthcare expenses (Leroch, 2014). The implementation of these solutions would certainly foster a social environment that develops and maintains a high level of personal growth within the company.

## References

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