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I. Introduction

Organization has always been a complex community where stakeholders as a whole play important roles in contributing to the success of the company. Understanding that concept, it is believed that managers should not only handle the business well but also consider the people to build the company culture. In the case study, although Scandi is considered to revolutionize the online shopping world with the market capitalization around $20 billion, there is a problematic issue regarding the management approach. As far as I have studied, I realize that Scandi only followed the functionalist approach and overlooked how the interpretivist approach could have been significantly adopted to make the company a better place. Therefore, as the lead of the AR&M consulting team, this report will first analyze the Scandi case study under the lens of functionalism. Lastly, a process model that integrates interpretivism will be recommended.

II. Functionalist approach: Scandi case study

1. Under the lens of interpretivism

It is important to understand the theoretical framework that underlies the operation of an organization. The four paradigms from Burrell and Morgan (1979) constitute the organization analysis process. Among all of them, functionalism is an approach that has a tendency to solve organizational problems by solutions that emphasize the importance of regulation and order. Additionally, Hirschheim and Klein (1989) supports that the functionalist paradigm focuses on how status quo, social integration, and need satisfaction are interpreted because the approach inclines to clarify the integration of a whole system through each individual presence. Under the view of functionalism, every person has their own role that helps the organization function efficiently because the whole organization works as a system under control and regulation. Burrell and Morgan (1979) emphasize the importance of maintaining order and regulation because they are fundamental factors of management. As can be drawn from the case study, Scandi's big success greatly depends on its business strategy, which builds a consumer-centric culture. Customers are the top priority of the business so that it can maximize the profit for the company. Thus, when Scandi applies the strategy, efficiency can be greatly maximized because each employee is allocated different responsibilities in the appropriate department. As Burrell

and Morgan (1979) states, with a functionalist approach, it can help the organization deal with practical considerations rather than theoretical ones.

Scandi decides to view functionalism as the dominant paradigm due to several reasons. The first reason, Scandi's method is classical scientific management which is believed to be called Taylor's scientific management (Dar 2022). In this management, all of the five principles are seen to be the core of Scandi's management. For example, the managers think of a customer-centric approach; therefore they have all the right to order the workers to push themselves to achieve the goal. Before workers are made to do so, they are initially verified to be suitable for the job because those managers build the "culture of metrics" based on task division. Additionally, Scandi uses scientific methods to achieve efficiency and productivity as well (Dar 2022). The second reason to consider functionalism as Scandi's dominant approach is treating the organization as a group of machines, not people. According to Lai and Huili Lin (2017), functionalists optimize the sequence in the organization where interdependent elements are grouped as a network. Information from the case study shows that Scandi follows a hierarchy that draws a clear line of authority from the highest to the lowest people: Chief Executive Officer (CEO), senior managers, managers, and employees. As Scandi can be considered one of the leading online shopping businesses, it is believed that there are several separate departments working together to thrive for its success, for example, the employees from the warehouse are examined in the case study. Therefore, the authority cannot be vague because the managers of each department exhaust all the possibilities to give commands. Combining the two aforementioned reasons, Scandi is assumed to create an insecure working environment that is likely to abuse employees and violate working conditions.

To ensure the efficiency of the organization, Scandi has shifted from the 'culture of metric' to 'culture of fear', as presented in the case study. As Hirschheim and Klein (1989) claim, functionalists gain knowledge about the organization by measuring the relationship between cause and effect, similar to the viewpoint of Scandi's managers who mercilessly dismiss employees who fail to do their job. The cause-and-effect relationship is even more serious when workers become so frightened that they submissively breach the safety rules. Apparently, the organizational behaviors have been intensely manipulated by the technical process of Scandi management. The success of Scandi may likely transfer into the failure itself due to its lack of

consideration for its stakeholders, i.e. the employees. As Saks (2021) confirms, a company that cares for the benefits of its employees is able to create a safe and friendly environment that can both train the staff to improve themselves and be able to retain those competent employees in the company's long-term success.

2. Scandi process model analysis

Awareness of the fact that the Scandi management approach poses both critical drawbacks that directly affect the company as a whole, a process model is made in order to solve the problem. However, as the leader of the AR&M Consulting team, it can be seen that the process model itself also poses some difficulties. Acknowledging that Scandi intends to change its management into a more acceptable one, the model still lacks the involvement of the company's people. Instead, the model just illustrates several ways to collect data so that statistics can be calculated; hence their desirable results. It is understandable because, from the functionalist view, people's performance can be objectively established, and then managed (Burrell and Morgan 1979). Hirschheim and Klein (1989) also observe that functionalism is not a successful paradigm for understanding the societal life existing in the organization. Using positivistic means facilitated by scientific laws such as cataloging and analyzing facts (Ospina Avendano 2021) without concern for people's feelings and observation (Jayasuriya 2023) will not make Scandi's model work. This model has also overlooked the possibility that their employees have different views of the world, especially in their current workplace. Statistical tests or hypotheses will not help the organization realize the core of the problem and certainly numbers or figures are not the answers to the problems.

From my perspective, the major challenge that Scandi may encounter when following this process is to deal with its people. The problem of an organization cannot be collected through data and statistics like what Scandi is proposing. The data may easily be manipulated in a negative manner so that the managers can tell lies. For example, problems are indeed existing in the company that cause detrimental impact on the employees. However, the managers can be punished for their poor management and misbehavior towards their employees. This may result in falsifying the numbers to show positive results and they can report to their boss as if nothing happens. From the beginning of the process, the way Scandi chooses to define the problem by

defining hypotheses may not be a good decision because as mentioned before, a company is a complex structure that involves many stakeholders, and the most significant role is the employees. Therefore, problems should be addressed by the employees themselves to have insightful observation and evaluation. In the whole process, the term "efficiency" is mentioned three times, which means that Scandi still follows a functionalist approach. A company should focus on maximizing efficiency so that it can make a profit (Lessmann et al. 2019), this is true to some extent. However, a more important thing is that the company should also take the company's values, culture, history, and working environment into great consideration. If the company continues to work as if its employees are not different from machines, people's health will easily be damaged physically and mentally.

III. A more interpretivist process model: Recommendation for Scandi

Understanding problems that Scandi is facing, both in the management process and Scandi's process model, I propose another model that pursues a more interpretivist approach. As Hirschheim and Klein (1989) mentions, the interpretivist paradigm, which is also known as social relativist paradigm, seeks consciousness and subjectivity. That is to say, interpretivists view the world as the social world which emphasizes subjective experience. Burrell and Morgan (1979) also support that this view is more oriented towards its social world in an ongoing process that is established through interactions by the participants. It is suggested that an organization should consider ethical issues involved in the management process by negotiating with stakeholders' concerns (Al Halbusi 2022). Under a social relativism perspective, a person can be a facilitator who is able to assist in tasks completion by understanding cultural differences (Hirschheim and Klein 1989). The method of social relativism is to conduct interviews and facilitate interaction that can facilitate the understanding of people and how to make sense of the world.

From my knowledge of interpretivism and functionalism, I would propose a model that combines the two paradigms so that it can fit in with Scandi's organization. In Figure 1, the combination of both functionalism and interpretivism is applied in the new process because I believe that no paradigm can serve best without blending with others. Hirschheim and Klein (1989) also support this point by stating the fact that in real practice, mixing paradigms together

can create creative approaches to solve organizational problems. As can be seen in the new process, I still keep the core functionalist procedure of Scandi's old process but I add a more interpretivist approach in the process. It can be seen that the core value of Scandi is shown in the middle of the process which focuses on three factors: you-them-truth, which respectively represent the manager, the employees, and the true values. This means that, in order to manage an organization well, Scandi should be able to create a positive relationship between the managers and the employees (Kaur Bagga et al. 2022). When the relationship is facilitated, truths can be told about the organization to develop appropriate solutions. Firstly, in the management process, managers should define the problems that are existing in the company. Secondly, after identifying concerns, managers should be able to prioritize issues to solve the problems in a logical order because it is believed that solutions should be made as soon as possible from small scale to large scale to fix an organization's problems. To succeed in making that possible, proper methods are proposed on the right side which indicates that problems can only be examined in their full potential when the methods are conducted through interaction with employees. There are multiple ways for managers to get insights from the employees such as conducting the interview and designing the questionnaire. Thirdly, managers can observe the whole process to make sure that employees can sincerely present the existing problem as they wish to tell without being forced or manipulated by any parties. Feedback plays an important role in the organizational process as it can help to build a strong culture via positive communication and performance. According to (Huang 2022), feedback ensures the organization's goal and each individual's roles and responsibilities. When truth has been collected, managers should synthesize their findings and develop appropriate solutions at the final step.

As Burrell and Morgan (1979) claims, people's experiences are unique and it is important to understand them sincerely. By doing that, organizational unity can be achieved through
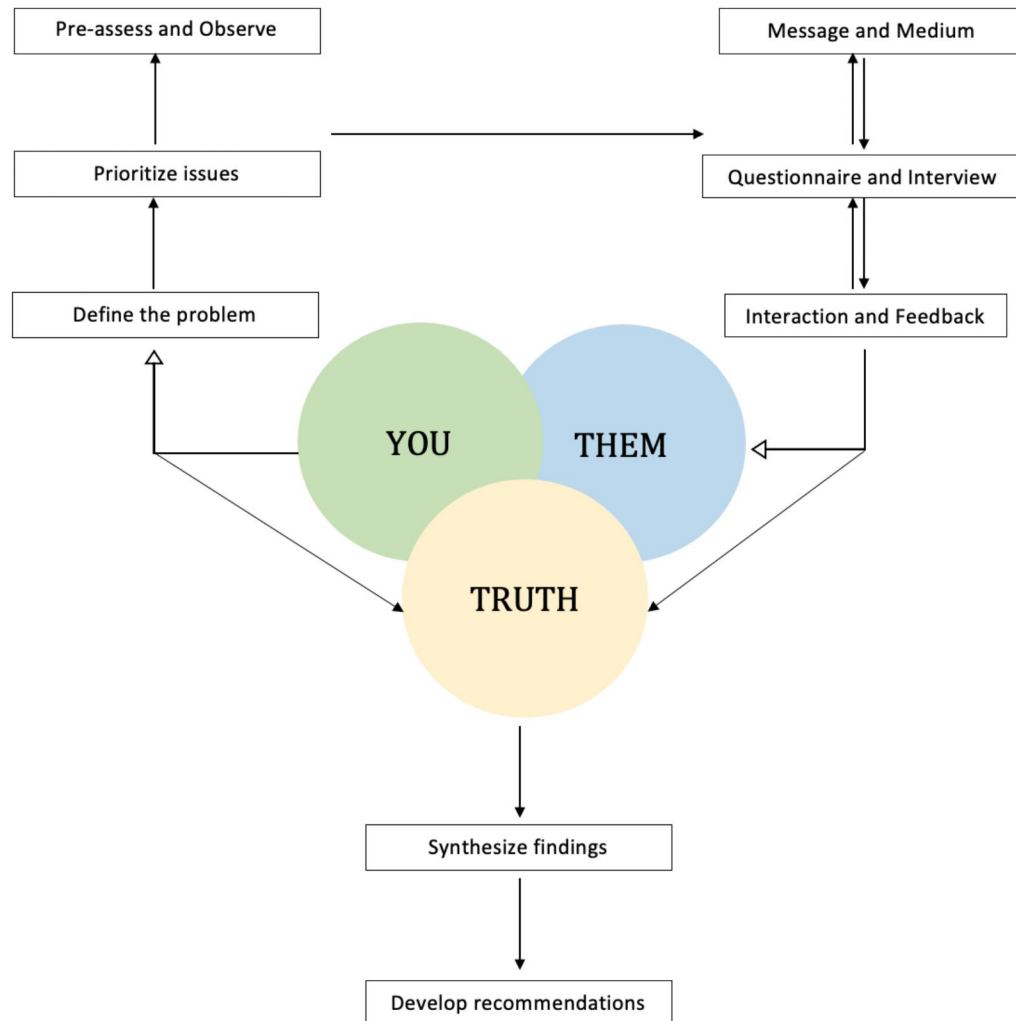
cooperation because employees know that their opinions are listened to and respected. To build a strong culture, there is a need to discover implicit aspects rather than explicit ones. However, this process also has some drawbacks. Supported by Alborough and Hansen (2022), when incorporating an interpretivist approach, there is a possibility that data may be overloaded because Scandi managers have to conduct a lot of interviews with the employees. They may find it difficult to categorize data for similar methods and they may not avoid united biases.

Figure 1: A new proposed process model

IV. Conclusion

To sum up, it is suggested that a mixture of paradigms will surely facilitate the organization in its development rather than following a particular one. Scandi hierarchical management has built an unsafe environment where basic needs of employees are not satisfied. This is too alarming because Scandi has violated the employees' rights in the workplace. However, Scandi soon recognizes its mistake and finds solutions for it with a lack of a human-oriented approach. Therefore a new process has been proposed in order to facilitate Scandi to communicate more with its people because people are the core value of any organization.

V. References

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