



## ***Dixie Industries, Inc.***

### **TEACHING NOTE**

#### **Purpose of the Case Study**

1. To help students understand how important effective communication with employees is internally.
2. To give students an appreciation for the importance of continuing effective communication, particularly during crisis management.
3. To help students understand how writing and speaking, and the management messages they carry, are the products of a process that begins with critical thinking.
4. To provide students with some understanding of the ethical implications of professional communication, particularly where potential legal/minority issues are involved.

#### **Identify the Business Problem**

Dixie Industries has come under scrutiny internally from one of the employees regarding a perceived lack of equal opportunity for female workers to move into management and other senior positions.

#### **Forecast the Most Desirable Outcome**

Assess whether discrimination issues exist within the corporate culture, develop a strategy to deal with any issues that do exist and communicate these activities to employees and other interested stakeholders.

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This teaching note was prepared by Bronwyn Clee under the direction of James O'Rourke, Concurrent Professor of Management, as the basis for class discussion rather than to illustrate either effective or ineffective handling of an administrative situation.

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## Identifying the Critical Issues

These issues are at the heart of the case:

5. Corporate culture
6. Company diversity
7. Equal opportunity

Stakeholder perspectives include:

1. Management
2. Employees

## Listing the Possible Solutions to the Business Problem

**Write a letter replying to Mrs. Feldman.** The letter should outline steps that will be taken in addressing her concerns. This written communication should come from the President so that the message has credibility and the importance of the perceived issue is recognized.

**Create a Human Resource Development Team.** This team, preferably led by the Vice President for Human Resources, would have representation from all levels of the organization. This representation should include Mrs. Feldman, in order to resolve some of her issues. The team will have the responsibility of providing recommendations to the Dixie Industries Executive Team. Recommendations may include changes to policies and procedures to enhance the attraction, retention, training, and promotion of employees, both female and male.

**Meet with employees including Mrs. Feldman and the Women's Group.** While Mrs. Feldman brought the concerns of one group of women forward, Dixie Industries management cannot assume the group represents all employees, nor even all female employees. In addition, male employees may have similar concerns regarding training and promotion procedures. The President should announce the formation of the Human Resource Development Team and define the team's role. This will communicate the importance of the team and management's commitment to enhancing the quality of work life at Dixie Industries, Inc

**Follow-through on team recommendations.** These actions will be effective only if senior management seriously considers the team's recommendations. The Dixie Industries Executive Team must be open to implementing the recommendations. This openness will need to include appropriate allocation of resources as well as a willingness to change operational processes, if appropriate.

**Create a communication strategy to keep all employees informed of the team's progress.** This plan could include periodic updates in an internal newsletter and at scheduled employee meetings. As implementation of specific plans begins, other participatory strategies (buttons,

posters, celebrations, etc.) might be employed. The Human Resource Development Team will continue to implement specific plans and strategies on an ongoing basis.

### **Explaining How to Communicate the Solution**

Sound internal relations communication strategies will help address issues. In particular, Dixie Industries management will need to develop strategies that ensure clear communication with concerned stakeholders, for example being available, responding to team recommendations and ensuring open, truthful statements about their efforts to ensure they are a company that seriously values equal employment opportunity.

### **Teaching the Case**

#### **One week prior**

Distribute the case and Mrs. Feldman's letter to Keith Harkins (Appendix A) at least one lesson before you intend to discuss it in class. Tell the students that you intend to focus on several matters during the discussion, including:

- How important effective communication with employees is internally.
- The importance of continuing effective communication, particularly during internal crisis management.
- How writing and speaking, and the management messages they carry, are the products of a process that begins with critical thinking.
- The ethical implications of professional communication, particularly where potential legal/minority issues are involved.

#### **First 30 minutes of the class**

Spend the first 5 to 10 minutes of the class session briefly recapping the facts of the case.

Then, for the next 20 minutes, have the students identify the following:

- The critical issues involved in Dixie Industries' management decisions;
- The stakeholders in this case and their separate interests; review the pertinent assumptions made by each of the stakeholder groups;
- The decision options available to Dixie Industries.

Use the Questions for Discussion to aid student discussion, if needed.

Some of the relevant facts are:

- Dixie Industries Women's Group have communicated a perceived lack of commitment by Dixie Industries, Inc. to hiring and promoting women to management positions. They are also concerned with the selection process for advanced training in textile production and automated loom operations.
- Dixie Industries, Inc. states that it is committed to promoting the most deserving individual who is available to fill a particular vacancy. However, turnover of management and executive positions is low, while turnover and attendance problems are frequent among the production staff.
- Currently, Dixie Industries, Inc. has very few women in management or executive positions and productivity is below industry standards. Unionization, negative publicity, and /or a job action would seriously compromise the operations of Dixie Industries, Inc.
- Dixie Industries could argue that the Women's Group data is inaccurate, the perception is a reality for them. Dixie Industries, Inc. will have to address the fact that it does have very few women in management and executive positions. This is due largely to a dedicated executive team with a long term commitment to the organization. Unfortunately, the low turnover in the management ranks has not provided many opportunities for internal promotions.
- Dixie Industries does have a training program that provides advanced opportunities which can lead to a promotion to floor supervisor. These programs are currently set up to reward those with seniority and who have long term patterns of good attendance. Many of the female employees have not qualified for this training because they have less seniority or due to attendance issues including maternity leave and child care demands. Management need to address this issue to ensure the absence policy is not discriminating on the basis of parenthood.
- Dixie Industries must critically evaluate their practices against a changing industry and workforce. The concerns raised by the Women's Group, whether accurate or not, point to a larger challenge, particularly as more of senior managers retire. That is, how does Dixie attract, motivate and retain employees whether male or female. Part of the task will be to address the Women's Group communication and provide a framework for long term retention and development of employees.

Next, identify the stakeholders in this case and their separate interests; review the pertinent assumptions made by each of the stakeholder groups.

- **Dixie Management and employees:** Management must be clear about the messages that are being sent to employees regarding equal opportunity and selecting the best person for the job.
- **Employees:** Must be communicated with clearly, honestly, and regularly to build rapport. Importantly, employees must understand that equal opportunity applies to all and that the company has an obligation to shareholders to employ the best person for the job.

### Summarize their response

Ask students for their communication plan. What would they have done if they had been in Dixie Industry management's shoes? Issues to consider include:

- **Strategic communication objectives.** What are Dixie Industry management's internal strategic business objectives and how can we link them directly to our communication objectives?
- **Audience analysis.** Who are we most concerned about reaching? Why do we want to communicate with them? What outcome do we hope for when we reach them?
- **Message construction.** What do we want to say to each of these audiences? Will our messages differ from one set of stakeholders to another? How simple or complex should the message be?
- **Medium selection.** How should we try to reach these stakeholders? Should we consider electronic means? How about print means? Should we tele mediate our message through the press? Should we try to communicate directly with one or more of the stakeholder groups?
- **Measurement of outcomes.** How will we know if we have succeeded? What criteria should we use to determine success? If we're not successful, what should we consider changing first: medium, message, audience, or objectives?

### Last 5 minutes of class

Conclude the discussion.

The key to this case, as with nearly all other management communication cases, is to let students speak freely, but guide their comments toward the problem facing management at Dixie industries and the situation faced in the case. A list of suggested Questions for Discussion follows for your teaching reference.

### Questions for Discussion

The questions are for use in class and should provide a deeper level of questioning – useful after the case study has been digested by the students and some initial revision of the case has taken place. The Questions for Discussion should build and relate to communication.

1. Rewrite the letter from the President of Dixie Industries to the Women's Group. Indicate what you would change and how it affects the communication message.
2. What strategies should the company implement to prevent negative publicity over this issue, particularly if it develops into industrial action? Give examples.
3. What other strategies could be implemented industrywide to overcome the issues surrounding equal opportunity in the workplace?

## **Appendix A: Mrs. Feldman's Letter to Mr. Harkins**

[Dated One Week Ago]  
310 Azalea Lane  
Meridian, MS 39203

Mr. Keith Harkins  
President  
Dixie Industries  
3128 Northeast Industrial Park Road  
Meridian, MS 39201

Dear Mr. Harkins:

The Dixie Industries Women's Group has asked me to write to you on behalf of the women of our company. We have some questions and concerns that we would like to share with you.

The first concerns promotion opportunities for women at Dixie Industries. According to Mr. Darryl Robbins of the DI Human Resources Department, this company employs approximately 1,798 employees in various jobs. Mr. Robbins also says that about 720 of them are women. That seems to be about 40 percent of the Dixie Industries workers who are female.

At the same time, Mr. Robbins told me that the company has about two dozen upper management positions here, but only four are staffed by women. That's not much better than 16 percent. This company has, according to its own HR Department, 54 managers and 25 senior managers. Of those, just seven women are managers and only two are senior managers. In addition to that, one of just two female executives, Mrs. Dorothy Wyatt, left the company last year. Some of her close friends say she left because of the general working environment here and the lack of opportunity for women.

An informal survey of other firms in the textile industry (see table below) shows that Dixie Industries is below average in promotion opportunities for women employees. West Point Pepperell in Georgia has told a member of our group that 35 percent of their senior managers are women. That's twice the average of Dixie Industries. Berkshire Mills of Alabama told us more or less the same thing. On top of that, both of those firms offer college tuition and specialized training to their employees which Dixie does not.

The fact of the matter, Mr. Harkins, remains that Dixie Industries has not promoted a woman to a management position in over two years. Dixie does nothing to encourage and retain good women in management. And Dixie has done nothing to show current women employees that they have any future with this company. The only conclusion our group can draw is that the company is demonstrating a continuing and pervasive bias in promotions in favor of men.

Mill Name	Location	Employees	Managers	Sr. Mgrs.	Women Mgrs.
Pepperell	West Point, GA	2,650	78	33	36 (32%)
Berkshire	Prattville, AL	2,245	72	30	19 (19%)
Hoover	Anniston, AL	1,277	36	21	16 (28%)
Cannon	Columbus, GA	2,130	65	29	28 (30%)
Dixie	Meridian, MS	1,798	54	25	11 (14%)

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**Women Managers in Regional Textile Mills, 1999-2000: Mississippi, Alabama, Georgia**

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The second significant issue that I have been asked to bring to your attention concerns training opportunities. Most of the promotions to supervisory positions on the plant floor have gone to people with advanced training in textile production and automated loom operations. Those people, with very few exceptions, have been men. We would like to know when the company plans to establish a fair and equitable means for selecting employees for training, especially training that is likely to lead to better employment opportunities.

Mr. Harkins, I have personally been employed here over six years and am certified as a master loom technician. My reason for writing to you is to explain that a number of women employees of Dixie Industries are upset about these facts and concerned that no opportunity for a better future exists for them here. On their behalf, I respectfully ask that you explain what the company plans to do.

Sincerely,

Mrs. Linda S. Feldman



**DIXIE INDUSTRIES, INC.**

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**3128 Northeast Industrial Park Road  
Meridian, Mississippi 39201**

**Confidential**

DATE: [Today's Date]

ACTION: Keith Harkins  
President

INFO: DI Executive Committee

FROM: [Your Name]  
Vice President for Human Resources

SUBJECT: **STRATEGY TO ADDRESS HUMAN RESOURCE NEEDS**

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This memo recommends a strategy to respond specifically to Mrs. Linda Feldman's concerns regarding our promotion practices while also addressing your request for a fair and practical long term approach to our human resource and development needs.

**BACKGROUND**

Briefly, the relevant facts are:

- ▶ Mrs. Feldman on behalf of the Dixie Industries Women's Groups has communicated a perceived lack of commitment by Dixie Industries, Inc. to hiring and promoting women to management positions.
- ▶ She has also communicated a concern regarding the selection process for advanced training in textile production and automated loom operations.
- ▶ Dixie Industries, Inc. is committed to promoting the most deserving individual who is available to fill a particular vacancy.
- ▶ Currently, Dixie Industries, Inc. has very few women in management or executive positions.
- ▶ Turnover of management and executive positions is low, while turnover and attendance problems are frequent among the production staff.
- ▶ Productivity is below industry standards.
- ▶ Unionization, negative publicity, and/or a job action would seriously compromise the operations of Dixie Industries, Inc.

## STRATEGY TO ADDRESS HUMAN RESOURCE NEEDS

[Today's Date]

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### DISCUSSION

While we could argue that Mrs. Feldman's data is inaccurate, her group's perception is a reality for them. The fact is Dixie Industries, Inc. does have very few women in management and executive positions. This is due largely to a dedicated executive team with a long-term commitment to the organization. Unfortunately, the low turnover in the management ranks has not provided many opportunities for internal promotions.

Our training program does provide advanced opportunities which can lead to a promotion to floor supervisor. These programs are currently set up to reward those with seniority and who have long-term patterns of good attendance. Thus, many of our female employees have not qualified for this training either because they have less seniority or due to attendance issues including maternity leave and child care demands.

In reviewing the human resource policies and procedures of Dixie Industries, Inc., it is evident that we need to critically evaluate our practices against a changing industry and workforce. The concerns Mrs. Feldman raises, although inaccurate, point to a larger challenge that we need to face, especially as more of our senior managers retire, that is, how do we attract, motivate, and retain employees, whether male or female. I believe the recommendations listed below will address Mrs. Feldman's communication as well as provide a framework for long-term retention and development of employees.

### RECOMMENDATIONS

1. **Sign the attached letter to Mrs. Feldman.** The letter outlines the steps we plan to take in addressing her concerns. (Action: President)
2. **Create a Human Resource Development Team.** This team, led by me, would have representation from all levels of the organization ( including Mrs. Feldman) and would be given responsibility to recommend to the DI Executive Team changes to our policies and procedures to enhance the attraction, retention, training, and promotion of employees. (Action: Vice President for Human Resources)
3. **Meet with employees including Mrs. Feldman and her group.** While Mrs. Feldman brought the concerns of one group of women, we cannot assume she represents all female employees. In addition, male employees may have similar concerns regarding training and promotion procedures. By personally announcing the formation of the Human Resource Development Team and defining the team's role, you will communicate the importance of the team and your commitment to enhancing the quality of work life at Dixie Industries, Inc. (Action: President)

## STRATEGY TO ADDRESS HUMAN RESOURCE NEEDS

[Today's Date]

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4. **Follow through on team recommendations.** The effectiveness of these actions will only be felt, if serious consideration is given to the team's recommendations. The DI Executive Team will need to be open to implementing the recommendations. This openness will need to include appropriate allocation of resources as well as a willingness to change operational processes, if appropriate. (Action: DI Executive Team)
5. **Create a communication strategy to keep all employees informed of the team's progress.** This plan could include periodic updates in our internal newsletter as well as future employee meetings. As implementation of specific plans begins, other participatory strategies (buttons, posters, celebrations, etc.) might be employed. (Action: Human Resource Development Team)

I look forward to hearing your ideas, concerns and suggestions regarding these recommendations.

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**DIXIE INDUSTRIES, INC.**

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**3128 Northeast Industrial Park Road  
Meridian, Mississippi 39201**

[Today's Date]

Mrs. Linda S. Feldman  
310 Azalea Lane  
Meridian, MS 39203

Dear Mrs. Feldman:

Thank you for your letter on behalf of the Dixie Industries Women's Group. I appreciate the concerns you raised regarding the internal promotion of women as well as the availability of advanced training opportunities.

Attracting, selecting, training, retaining, and promoting employees are complex processes. Your group's concerns reflect the need for Dixie Industries, Inc. to better inform our employees of the policies and procedures we already have in place, as well as the need for us to review and update these same policies and procedures.

Toward this end, I am inviting you, as well as other representative employees, to be members of a team which will be formed in the next few weeks. This working team will be led by the Vice President for Human Resources. The team will review our human resource policies and procedures and will recommend changes to the DI Executive Team. I will be announcing the formation of this team at a special employee meeting Friday [next Friday's date]. Notices of this meeting will be posted today.

We hope this approach will improve our productivity and competitive advantage while enhancing the quality of the work environment for all employees. In addition, your concerns as well as the concerns of other employees will be addressed.

Sincerely yours,

Keith Harkins  
President