

OGL 357 (Assessment in Organizations) Module 4 Discussions

Please find an example of a company that uses either Good to Great or Baldrige and provide the **URL Link** and a **synopsis on their results**. Provide the link of where you obtained your information. Like and reply to your colleagues. This is a more casual format (still expect reasonable writing) with the expectation of sharing what you find about Organizational Assessment! (400 words minimum)

I wanted to research an organization that was highlighted in Good to Great because I find it interesting to see which of the “great” organizations managed to stay great in 2023. After all, it has been some time since Jim Collins profiled the organizations that made his “greats” in 2001. Interestingly, Circuit City was my initial interest, as they managed to go out of business just a little over a decade after the book’s publication. However, having read a good deal on Warren Buffet in this class, my attention was turned towards Wells Fargo.

In 2016, Wells Fargo was criticized for losing a lot of their great status after facing scandal and financial losses of \$185,000,000 in settlements (Montgomery, 2016, para 4). Part of what helped propel Wells Fargo was their ability to keep quality talent in management positions and their earned respect amongst customers in their retail banking divisions. Losing the trust of those customers and taking a huge financial hit saw Wells Fargo struggling to bolster its image once again.

Unfortunately, Wells Fargo is starting out 2023 \$3.7 billion (about \$11 per person in the US) poorer after the mismanagement of auto loans, mortgages, and deposit accounts. The Consumer Financial Protection Bureau (CFPB) has investigated years of systematic failures in several divisions of the organization and has enforced heavy penalties in response to their findings, including:

- Unlawfully repossessed vehicles and bungled borrower accounts
- Improperly denied mortgage modifications
- Illegally charged surprise overdraft fees
- Unlawfully froze consumer accounts and misrepresented fee waivers (CFPB, 2022)

One really must question what is going on with leadership at Wells Fargo. Since Jim Collins’ model for assessing great companies focuses on quality leadership, you must consider that the best place to start. How could an organization find itself in such scandal so consistently, and how could they have fallen so far from greatness? Charles Scharf has been CEO of Wells Fargo & Co since 2019, but so far, he has not managed to distance the company from the financial and PR nightmares they are growing notorious for. Scharf, however, has had much to overcome.

Looking into Wells Fargo has made me interested to see how the company will manage this latest crisis over the next few years. It is impossible to correct courses over night when a company has fallen from greatness, but Good-to-Great teaches that it is through many concise and calculated decisions and actions that greatness is achieved over time.

<https://www.linkedin.com/pulse/from-good-great-discourteous-how-wells-fargo-can-again-montgomery/>

<https://www.consumerfinance.gov/about-us/newsroom/cfpb-orders-wells-fargo-to-pay-37-billion-for-widespread-mismanagement-of-auto-loans-mortgages-and-deposit-accounts/>

Discussion Board (4) Prompt Question is:

If you were going to assess the Cultural aspects of Southwest Airlines which assessment model (Good-to-Great or Baldrige) would you use and why? Make sure to explain what elements of Southwest Airlines organizational culture would make one assessment model a better would fit for an assessment. (Hint: More than one model might be used)

I like the Good-to-Great model because it focuses on quality leadership and making smart and impactful decisions that offer the most gain over time. I feel like Southwest established itself early on because they had a Level-5 Leader at the helm of the organization. Herb Kelleher, CEO and one of the airline's founders, as well as the corporate counsel for the organization, displayed all the qualities that one finds in Level 5 Leadership. Kelleher was driven, tenacious, and was extremely focused on the greater good of the company when it launched in 1971.

The company did follow "First Who... Then What" principles when hiring and training staff for the organization. Employees were encouraged to play to their strengths and find meaningful connections to their work, creating employee buy-in and investment. Southwest was able to confront the brutal facts and face challenges in creative ways. By focusing on one model of aircraft exclusively, they could better accelerate technology because their resources for aircraft improvement did not have to be spread out amongst several models of aircraft.

Because we can establish that Southwest was born under conditions that would be ideal for the Good-to-Great assessment model, it stands to reason that it would be a great indicator of the organization's current goals and achievements.

Resources:

Collins, J. C. (2001). *Good to great*. Random House Business.

Southwest Airline. Harvard Business Publishing Education. (n.d.). Retrieved January 18, 2023, from <https://hbsp.harvard.edu/download?url=%2Fcourses%2F974824%2Fitems%2FHHR1A-PDF-ENG%2Fcontent&metadata=e30%3D>