

Discussion on Defects in Business Management from “the N Consecutive Jumping Events in Foxconn”

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Abstract: In this study, we have a Discussion on Defects in Business Management from “the N Consecutive Jumping Events in Foxconn”. An industrial analysis report in the new century pointed out that, the competitive focus of enterprises in the future would be competition of talents. The modern society advocates “human orientation”, in which human is the core of the society and is the most resource in the enterprises. Thus, how to give an effective play to talents, cut down on flow of talents, reduce internal consumption of a system, improve interpersonal relationships in the enterprise and build a harmonious internal environment within the enterprises have become the Achilles’ Heel of quite a lot of enterprises and are the problems that need to be resolved urgently by the enterprises. In our result, under such an internalized, information zed and diversified global background, human resource management in the enterprises has been faced up with austere experiences.

Keywords: Enterprises, employees, government, management

INTRODUCTION

An industrial analysis report in the new century pointed out that, the competitive focus of enterprises in the future would be competition of talents. The modern society advocates “human orientation”, in which human is the core of the society and is the most resource in the enterprises. Thus, how to give an effective play to talents, cut down on flow of talents, reduce internal consumption of a system, improve interpersonal relationships in the enterprise and build a harmonious internal environment within the enterprises have become the Achilles’ Heel of quite a lot of enterprises and are the problems that need to be resolved urgently by the enterprises. In the meantime, under such an internalized, information zed and diversified global background, human resource management in the enterprises has been faced up with austere experiences. Yuan (2010) study the Jumping Events in Foxconn? Southern Weekly. Wu (2010) have an analysis of current situation in human resources management in small and medium-sized enterprises and countermeasures. Zhang and Luan (2010) show the analysis of current situation of human resources management in small and medium-sized enterprises in China. Wang (2010) study the current situation of human resources management in small and medium-sized enterprises and countermeasures. Lloyd and Leslie (2010) have a research of the human resource management.

In this study, we have a Discussion on Defects in Business Management from “the N Consecutive Jumping Events in Foxconn”. An industrial analysis report in the new century pointed out that, the competitive focus of enterprises in the future would be competition of talents. The modern society advocates “human orientation”, in which human is the core of the society and is the most resource in the enterprises. Thus, how to give an effective play to talents, cut down on flow of talents, reduce internal consumption of a system, improve interpersonal relationships in the enterprise and build a harmonious internal environment within the enterprises have become the Achilles’ Heel of quite a lot of enterprises and are the problems that need to be resolved urgently by the enterprises. In our result, under such an internalized, information zed and diversified global background, human resource management in the enterprises has been faced up with austere experiences.

HUMAN RESOURCE MANAGEMENT SITUATION UNDER A REALISTIC BACKGROUND

Jumping events in Foxconn-a case study: In the morning of January 1, 2012, another male employee jumped to death in the industrial park of Foxconn Technology Group (Yantai). Ever since the first jumping event occurred to an employee in Foxconn on

January 23, 2010, 18 jumping events have occurred in Foxconn, which has aroused attention of the whole society and even the whole world. Foxconn Technology Group was established in 1974, specializing in such new and high technologies as computer, telecommunication, consumer electronics, digital content, auto components and parts and path, etc. It can be said, as early as on May 21, 2010 when the “tenth jumping event” occurred in Foxconn, Foxconn incident had become a topic of extensive attention and discussion by the public opinions both at home and abroad. Groups of data, scenes of tragedies and a lot of living lives carried hope of lots of people, but they went round and round and repeated such a way to end their life. The jumping events make Foxconn labeled with “sweat shop” and “shop of the devil” and people begin to doubt one after another about the management system of Foxconn.

DEFECTS IN BUSINESS MANAGEMENT

After the jumping events happened, the principal of Foxconn Group used the phrase “self-criticism” several times to declare their stands when receiving the media’s interview. He said, “In the recent one or two months, emergency accidents have occurred to us, which proves that we have had problems in our management system.”

The first problem is that they refused to face up to and improve workers’ working and survival conditions in order to strive for profits. Each worker had to work for eight hours each day in the stream-lined line and repeat the same operation. However, they could only get a basic salary of 900 RMB Yuan each month. If they intended to earn more, they had to work overtime, abandon their own relaxation and entertainment time and repeat the simple labor. Such large scale mechanical labor per se was dissimulation of humans.

The second problem is that they avoided and covered the essential problems and attended to trifles and neglected the essentials. The trade union that was supposed to protect workers’ rights and interests appeared insignificant in the death events one after another, did nothing to let the enterprises that caused the trouble exculpate for their profit-making, tried to attribute the major responsibility for the employees’ death to themselves and the society and beat about the bush for the working and survival conditions of workers.

The third problem is that, the “paramilitary management” was lacking in flexible and humanized management system. Workers in Foxconn had to go to work, get off work and go to sleep and then again go to work, get off work and go to sleep. This kind of clock-like life, in turn, compressed their private time for social association. In the stream-lined line of Foxconn, people were almost kidnapped by the machine.

The fourth problem is that the management mode aroused serious problems that only cared about similarity, but neglected personality. Foxconn could

hardly absolve itself from the blame for the consecutive employee jumping events.

PROBLEMS OF EMPLOYEES

- **Psychological predicament:** The complicated social phenomenon of suicide committing is not caused by a single factor. The socialist Emile Durkheim thought that, when connection between an individual and a social group or the whole society was impeded or was deviated, the phenomenon of suicide committing might happen. The highly concentrative and frequent suicide committing group in Foxconn, most of the employees was at the age between 18 and 23 and most of them just mounted guard within six months and some even entered the group for less than one month. As the largest original equipment manufacturer in the world, the number of employees in Foxconn increased from 9,000 in 1996 to 800,000 in 2010 ever since its first factory was established in 1988 and creation of the wealth exactly came from the 800,000 young people. Liu Kaiming, Shenzhen Institute of Contemporary Observation, when these young people took their first step to the society, they came across a wall exactly in their face. All the mechanisms were against them and all the voices told them that they were just workers and didn’t belong to the company. All the information went against them and all things were combined together to aggravate their predicament. When the contradiction had no way to be resolved and overcome, those who were relatively fragile chose suicide. The senior news commentator Zhang Ping said, “Ever since the family planning policy was implemented, the growth environment for quite a lot of children has been single and the family has loved their children ardently, which indirectly caused their fragile psychological endurance capacity.” When there is no appropriate mechanism to get this problem alleviated and to change one from a robot and a tool for earning money, the psychological and physiological problems may emerge and extreme events may be caused.
- **Confusion in the future:** It is quite often that when the ideal is encountered with the realistic predicament, people would often anchor their hope on the future with the expectation that their hope may come true one day in the future and they could get ahead in the world. However, in most cases, when they are under great pressure, they continuously lose their hope on the future and insufficient self-competence, lower social position and unfair treatment make them lose their self-confidence. As a result, in the face of the future, what they often do is to sigh and incapacity. Lu Xin

who died at an age of 24 left such words in his blog prior to his death, "I came to the company for money. However, with a strange combination of circumstances, I had not had the chance to enter the research and development section, but came to the manufacturing section with a fair salary, but I was just wasting my life. I really feel so regretful since the first step of my life has gone astray and I am totally confused."

CHANGES AND CHALLENGES IN HUMAN RESOURCE MANAGEMENT

Human resource management becomes more complicated. On one hand, functions of human resources have been expanded. The content of human resources today does not only refer to management of the traditional affairs of employment and labor relations, remuneration and welfare, but is more closely combined together with the strategic plans of an organization, as a result of which the organizational environment becomes more diversified and complicated. The labor force becomes increasingly diversified, including a variety of aspects of gender, race, the original nationality, age and physical disability. And diversity of the working occasions has brought new and different challenges to the managerial personnel. Affected by the globalization, the company has to take into consideration of all staff from a global perspective, including consideration of each matter that distinguishes them and their similarity, which is not only confined to race and language, but also includes the factors of values and customs. The managerial personnel need to communicate often with the employees to avoid occurrence of contradictions. The organization has to make the attempt to avoid the employees from fitting in with a single and common model and each employee should seem different from what they actually behave. The organization has to carry out new human resource policies to make clear the particular need of an individual employee and to make response to their need. The increasing diversification of labor force is an indisputable fact and those labor forces that learn effective management diversification ought to be regarded as an investment in the future.

Nonetheless, on the other hand, labor forces differ from each other that come from different spatial and temporal backgrounds. The basic national situation of China is large population and abundant labor force resources. By the end of 2009, the total population of China had reached 1.33474 billion (not including Hong Kong, Macao Special Administrative Region and Taiwan Province), which included a population of 1.06969 billion of labor force resources, increasing by 112.67 million than the population in 2000 and 779.95 million of employees among which the population of urban employees was 311.2 million, which respectively increased by 59.1 million and 79.69 million than the

employees and urban employees in 2000. There are a group of young people who were born in the 1980s and the 1990s under the background of family planning in the 90s of the Twentieth Century in China, most of whom are the only children in their family. These young people are at a core era with social, political and economic reforms, the primary successors of the 21st Century in China, the fresh troops of the future and they carry quite a lot of responsibilities and obligations. However, given the particular growth environment where these young people have grown up, a lot of these young people still have not changed from the above rules. Thus, accompanied with a lot of realistic problems, they are quite likely to go astray. Such a group of people are the particular outcome in a particular era in China. And how to better lead and direct them to take their own vocational path is a difficult problem that needs to be urgently resolved by the enterprises and the government.

SOLUTIONS

Employee training: As one aspect in human resource management, internal employee training has aroused more and more high attention by the enterprises. From the perspective of reality, the importance of training is manifested in the following three aspects. Firstly, the history is developing, the science and technology is progressing and the environment is changing and requirement for a person is also changing at every moment. In the 50s of the 19th Century, computer still had not yet been popularized and the living materials were in extreme shortage. At that time, almost every person was qualified to be a worker and there was no need of any training for them to take up their quarters. Nevertheless, nowadays, in such an era of internalization, informationization and modernization, it is really an Arabian Night that any one was likely to become a vocational person without any form of training. Thus, different times and different backgrounds require different talents. How to build the employees into the talent that keep pace with the times and that have continuously developed capacity is an indispensable competitive means of the enterprises. Secondly, difference of theory and practice requires the enterprises to continue to input resources to train employees with the expectation that they might able to integrate themselves into the job. The major human resources in the enterprises are the university students who have received higher education. However, education in universities had great difference from the practical operation of the enterprises and a fault exists between the two sorts of education, so training is necessary. Thirdly, as the most important source in the enterprises, talents is necessarily regarded as the core of the enterprises by the leading personnel in the enterprises in order to reduce flow of talents and they

are made understood that they are concentrated by the enterprises. With progress of the times, all the kinds of means that recruit talents with generous salary and treatment have become more and more lacking in attraction. Furthermore, with development of economy, gaps between enterprises will be diminished in terms of salary and treatment. What really arouses the feelings of talents is whether they would think that their capacity might get promoted in the company, whether the job they choose might be of any help to their development in the future and whether they feel happy working in the company, etc.

The specific training content includes the following two aspects. On one hand, the enterprises are supposed to impart due working skills and meanwhile, train other aspects, such as, dealing of interpersonal relationship, psychological endurance capacity and physical quality, etc. On the other hand, the training of the enterprises should choose the right battle to fight and the training should be pertinent after having fully known about and analyzed the capacity demands of employees and demands of the enterprises, such as, what kind of skills the employees wish to be developed in, what kind of positions the employees are interested in, what the employees think they are good at and what kind of capacity the employers require them to possess. Then, on the basis of the above analysis, the enterprises may conduct vocational training, which may prevent the enterprise resources from being wasted for any meaningless investment and the effect of half the work with the double results may be achieved.

Selection of the opportunity for the training ought to be brought into the training plan at the moment of the starting of the recruitment and ought to be carried out all through the entire vocational career planning of the employees. At the time when the employees are in the most need, the enterprises ought to provide them with timely assistance, continuously deepen their capacity in self-learning, let them sincerely appreciate that they are continuously improved and enable to them well unify the value of the enterprises with the self-value of employees.

PSYCHOLOGICAL COUNSELING AND TUTORING

Human is a complex of contradictions and each person has seven affections and six desires from the top social elites and until the lower grass root class. Quite a large number of people have, more or less, encountered with psychological problems. Recently, a report by the World Health Organization indicated that, 1 billion of people all over the world were suffering from harassment of a variety of psychological diseases. Among the 1 billion people, there are the elderly and children, men and women, office workers and diligent students, celebrities pursued by the magnesium light and

also common people in obscurity. The psychological diseases have gradually become “global diseases”, such as, having the pip, not feeling like eating, dementia praecox and the tendency of suicide, etc.

Under the high pressure of the vocational occasions, the psychological problems are especially likely to happen, let alone those young people who were born in the 1980s and the 1990s and who have not had much social experience and who have grown up in spoiling of their parents. Once they come into a hard nut to crack, or they are in need of others' help, they are most likely to be off the track. Hence, the enterprises are supposed to give much attention to the psychological changes of their employees, offer them a psychological test at regular intervals and set up special departments to offer psychological counseling and tutoring for those who are in need, which is essentially important for healthy development of the employees and the enterprises.

REFORM OF EDUCATIONAL SYSTEM

Liu Kaiming, Shenzhen Institute of Contemporary Observation said that, “It is hard to say exactly who has crushed their last straw. There are a lot of complicated reasons and a variety of reasons may attribute to that.” The education system of China has always been denounced just as the “Chinese football”. Once education of China is discussed, what we usually call to mind is the words of “rigidness, stiffness and inflexibility”. The eager for quick success and instant benefits in Chinese education has made the educators put too much emphasis on education of knowledge and skills but ignore spiritual shaping and edification. Direction of talents mainly includes the two aspects, one towards development of academic direction and one of human resources to satisfy need of social economy, namely, vocational personnel. However, our education has not been well conducted in neither direction. In terms of human resources, we are often faced up with shortage of talents and inappropriate majors. In such a large China with a population of more than a billion, it is unlikely that a decent talent can't be found anywhere. Then, is this the problem of people or the problem of the system? To a large extent, all the above measures only address the symptoms, not the cause and what they can do is to resolve a problem once it occurs. Then, why not offer perfect management and tutoring from the original source?

Significance of education is embodied in the entire process of cultivating the newly born generation to make preparations for social life, which is also the critical aspect to get human life and production experiences carried forward. Education ought to be oriented by social demand and education should cultivate the kinds of talents that are required by the country, the enterprises and the times. Our education is aimed to exert influences on educates in a planned and organized

way and cultivate them to become the kinds of people required by the society (or the social class). At the time when we cultivate the basic skills and knowledge required for students' modernization construction, we should also pay attention to students' mental shaping and spiritual quality and the synchronous growth of their psychological and physical quality.

COMMON EFFORTS OF THE ENTERPRISES AND THE GOVERNMENT

On one hand, as the major receiver of talents under the education system, enterprises are supposed to take an initiative in participating in the training plan of talents, actively communicate and interact with the government, the educational section and students, make clear to them the need of the enterprises, make positive response to students' confusion and indirectly exert influences upon education in China. On the other hand, as one of the major beneficiaries under the education system, the enterprises should take a positive attitude towards regurgitation-feeding the society. The social responsibilities that the enterprises are supposed to assume are mainly reflected in the following several aspects.

- **Cultural construction:** Just as medical treatment and public health and public education, cultural construction is of great significance to development of a country. Cultural construction can edify people's sentiment and improve their quality by means of leisure and recreation. The humanistic construction of the enterprises in a long-term process, so it is supposed to leave some financial resources and energy to intensify interpersonal concern and undertake the responsibility of developing education and constructing culture.
- **Protecting employees' health:** Human resources are the precious wealth in the society and are also the supporting power for development of enterprises. Ensuring life and health of employees in enterprises and confirming employees' work and income treatment is not only related with sustainable and healthy development of the enterprises, but is also related with social development and stability. The enterprises are supposed to adhere to "human orientation", show care for their employees, conduct well labor protection and continuously improve workers' salary level and timely payoff of their salary. They ought to communicate frequently with employees and take more consideration of employees.
- **Formulation of effective human resource incentive mechanism:** Quite a lot of enterprises are lacking in profound knowledge in terms of incentive system. Instead, they take pure material

rewards, but ignore the spiritual demand of employees. Incentive of human resources in small and medium-sized enterprises ought to maintain combination of mental stimulation and material security.

With regards to the problems existing in Foxconn, the government should also set up diversified social subjects and value orientation in the enterprises from the perspective of social governance and join in resolving the problems.

- **Public facility construction:** The government may plan and construct a number of necessary cultural facilities surrounding the enterprises, enhance public facilities, add to public service and make employees enjoy themselves at the spare time of labor, but not choose to make light of their life just as a result of any problem or frustration.
- **Grassroots organization construction of enterprises:** The government may ask the trade union in the enterprises to come into contract with all manufacturing shops and accommodation units and let all workers reflect their opinions in time
- **Labor supervision:** Labor security department should conduct supervision on the employees' labor contract of the enterprises, their wage income, overtime time and labor intensity, etc
- **Employee dignity education in enterprises:** With regards to the employee dignity problem that arouses general social attention, the government department ought to standardize and train the public security and entrance guard management system, supervise enterprises to improve their security measures and change grassroots management personnel's modes of management on the general employees

CONCLUSION

Enterprise, government and individual are indispensable in the modernization construction of a country. Only with better cooperation and mutual assistance of the three parties, is it likely to really push forward progress of the society, development of economy and construction of the harmonious environment of the society. In the process of social development, the social phenomenon of education does not survive and develop in isolation, but has close connection with development of various social development factors. Development of the various social factors restrains development and education, which, in turn, has an enormous reverse effect upon development of the various social factors, which is a basic rule that is not changed with change of people' will.

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