financial measures. I find it impossible to spend money so you can imagine how difficult it is for my managers no matter how much I tell them they are empowered."

A second problem occurred when the company introduced its company-wide quality two years after the factory's own. The company's scheme concentrated on management processes rather than shopfloor involvement. Graves received a deputation from his manufacturing managers who explained that having both systems was too much, with production variances becoming erratic. As the share price fell in the City of London in 1993, as described at the start of this case, a third problem developed. The board issued immediate instructions to reduce costs. This meant an immediate cut of 78 jobs at BarChoc. Graves found this very difficult to explain to the trade unions because it was not being forced on them directly by the performance of competitors but resulted from internal financial pressures. Thus far the unions had supported Graves in the changes he had introduced, but how could he retain their trust and a good working relationship? Graves wondered whether he would have to get tougher with the unions and follow the line set down in other factories.

QUESTIONS

1. [redacted]

2. Why are there two distinct HRM strategies in place in these two factories?

3. Which of the HRM strategy models discussed in class appears most appropriate to this situation, and why?

4. What other factors could potentially come into play if AssortedChoc (one of the ChocCo factories) had been located in [redacted] as one of the company's foreign subsidiaries?
S. Arabia