The focal problem facing Company XYZ is that sales are declining and employee morale is low. The contents of this report were carefully designed to address Company XYZ’s recent difficulties. Without addressing these concerns, Company XYZ will be in serious trouble and may not be able to regain their standing as an industry leader.

In order to solve this problem it is recommended that Company XYZ undergo a change in strategy, structure, and culture. Specifically, it is recommended that Company XYZ:

1. Pursue a strategy that places a high level of importance on innovation;
2. Restructure the organization so that it is flexible, innovative, and appropriate for the size of the organization; and
3. Begin to reshape the company’s organizational culture and the way in which day-to-day business is conducted; managers at all levels of Company XYZ will need to emphasize the values of ethics, creativity, and trust.

In support of this recommendation, the introduction of incentives to help induce the desired behaviours associated with creativity and innovation will help to perpetuate these behaviours throughout the organization. Creative and innovative behaviours will also be encouraged through the introduction of a much more flexible and decentralized organizational structure. In the long-term, with the help of modelling from the senior management team, the culture of Company XYZ will become much more associated with the beliefs and values necessary for an innovation-focused organization. It will be important that the senior management team take the time to ensure that employees are inspired by their company and are fully committed to the recommended plan.