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Introduction

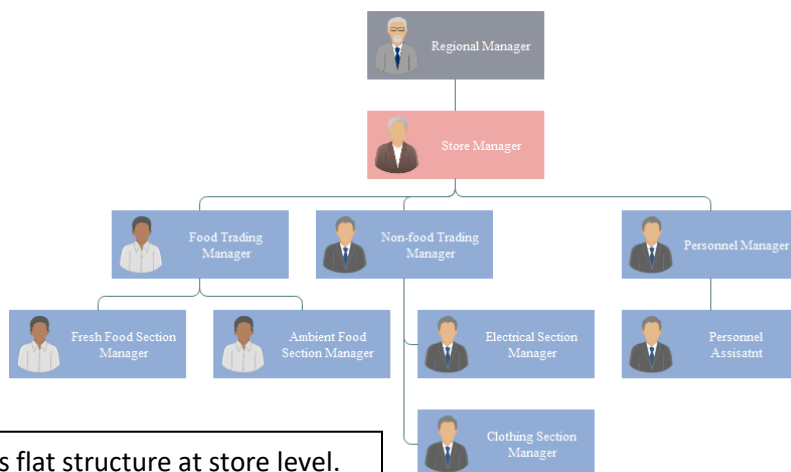
From a stall to biggest supermarket. In this report I will be writing about Tesco- one of the biggest supermarkets in Britain since 1919 founded by Jack Cohen. My assessment will be about its structure of the business leadership and management. Then I will include the organisation performance, work opportunities and people within the organisation and its culture. As such a big supermarket I will try to include people's opinions about it and what they mostly liked and disliked. This massive business started with profit of a pound and want to expand how it grew over the years.

In 1919 Jack Cohen came back from war and started a market stall. At first, he started selling groceries in a market in East End of London. In the end of the day, he had an income of four pounds with profit of only one. In 1924 first own-brand product was sold- Tesco tea. The 'Tesco' comes from the initials of his tea supplier- TE Stockwell and CO comes from Jack's surname. Five years after having own-brand product and name- Cohen opens the first Tesco's store which was located in Edgware, North London. First modern warehouse was also an idea of Jack Cohen. He bought a plot in Edmonton, London where he builds new headquarters and warehouse. In 1937 grew his business around London and into the suburbs and neighbouring counties. Nowadays Tesco is a leading retailer and gave opportunity to 517,802 employees around the world working in 7817 different stores, having millions of customers every week and online store. Tesco stores can be found not only in England, but also in Hungary, Poland, Czech Republic, Slovakia, Malaysia and Lotus.

Structure

Tesco is an organisation which successfully kept their main goal progressing along with all the cultural and strategic changes. There are ten members in the board of directors of Tesco's organisation structure. Significant changes were made in the board during 2014/15. Appointment of John Allan as the Chairman of the Board was one of the changes in the organisation, another one was the appointment of a new Chief Financial Officer Alan Steward and also CEO Dave Lewis. Three new Non-executive Directors were appointed after four others were retired. In 2015, Mr. Lewis did 30 per cent reduction of the costs around the head office which has direct

implication on the management structure. Reporting to Tesco PLC there are five committees in the governance structure as shown on the structure below. The Group Chief Executive- Dave Lewis leads 11 members of Tesco's Executive committee. Tesco has very strong organisation structure which reflects a lot on the massive size of the business, because of that some large stores they have four layers of management.



Tesco's flat structure at store level.

It can be argued that people in the management sector in one store may become unnecessary bureaucracy with negative outcome, because of the flow of information shared between the management layers.

However, senior managers

need to consider their day-to-day duties. An example could be: changes around the store, flexibilities of the operations taken, spreads the information and give guidelines to the layers of management. (John Dudovskiy, 18 May 2016) Nowadays management in each store have been given more control responsibilities which means that every manager will have to deal with more employees. Every employee has been trained very well which will help a manager to trust their team.

Theory X	Theory Y
• Strict management control • Supervising every step • Less motivation to the staff • High flow of information	• Communication between the layers of management • Following set goals

Culture

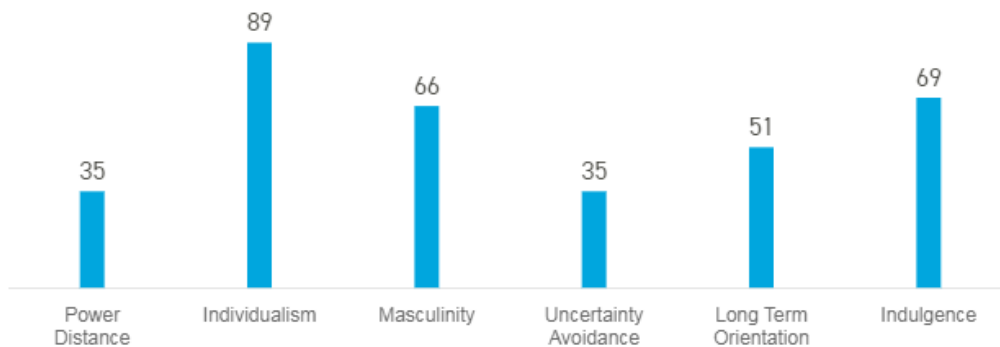
Tesco's seems to be number one within the sector. Their main mission is to be the champion for their customers, make their lives easier and most importantly to give them better quality of life. In the years, customers always wanted good products with equal value which they can afford easily and this is what Tesco have done for their

clients. Tesco have chosen for their main purpose to serve Britain's shoppers a little better every day. Only within the United Kingdom they serve approximately 66 clients every second, so it is their responsibility to make sure that every customer receives a little better service with every other shopping they go to a store. The value is the central of their culture and helps Tesco understand how to make their core purpose practical. It is important for them to know that their customers are treated in the way they want to be treated, because every little help matters and they try really hard for their customers. (Tesco Careers 2019)

Matus Turan joined Tesco in early 2016 and his current position is warehouse service coordinator. He had the desire to share his experience about how he joined, his day-to-day responsibilities, Tesco's culture and management. He says that coming from Slovakia and starting work in one of the biggest depots in Europe was the best decision in his life. He mentions that the team he works with is very passionate which gives him the chance to learn something new every day and develop his own skills, either personal or with people. The biggest benefit for him is that he has many opportunities within the company to get further in his career. Matus loves his job because his managers inspire him to go to work as well as the support he gets from his colleagues. As a conclusion he says that from his first day at the company since now, he feels more like being part of a family, not a team. (Matus Turan) However, a review from 2017 says that Tesco's culture is not for everyone. They mention that the working environment is negative and often senior managers change the direction which can make difficulties to get the company's strategy

Theory X	Theory Y
• Not having clear view on the direction of the company • Poor development • Confusion in departments	• Giving opportunities to the staff • Supportive • Great Team work

Hofstede



The power distance demonstration shows that all of the individuals are not equal which means the attitude of the culture will be expressed. It defines as the extent to less powerful staff within an organisation that they accept and expect the power is distributed in different ways. 35 per cent of lower sited hope that inequality will be minimized. High percentage shown in individualism demonstrate that people in the society prefer to be independent than working with group of others. People often defend them at the workplace as “I” instead of “We”. In society people only look after themselves. They only look after someone else from their team in exchange of loyalty. High score goes on masculinity which shows that a company will be driven by competition, achievement and success. The Uncertainty Avoidance is the way how an organisation deals with the fact about the future because it can be never known. The demonstration of long term orientation shows that companies are linked with their past while working on challenges of the present and the future and they priorities their goals differently. They prefer to maintain the norms and traditions while looking at organisational changes with suspicion. A challenge from the past and present is the degree to small children being socialized. Without it they cannot become “human”. This detention can be defined as extent where people try to control their needs and impulses based on how they have been raised. The weak control is called “Indulgence” and the high control is called “Restraint”. This is how a culture could be described.

People

One of the manager's most difficult and slippery challenges is to find a way to their employees. Employee motivation is to get people together and encourage them to show their best for the overall performance. In an article from 2008 for Personnel Today Lorna Bryson shares her experience with Tesco management and their kind of motivation. Tesco faced problems with motivating their young employees in age 17 to 24. She says that in order to progress in the company young people need more work to show their skills. She adds that often they have to teach their managers. Management communication with Youngers have to be different if you want to motivate them, because they always have some good ideas but without connection in between management and staff they will never come out. Lastly, Lorna says that teams have to talk face to face with all of the employee if they want to know about any problems they are facing within the company. (Louisa Peacock, 29 Aug 2008)

In 2015 Tesco's CEO Dave Lewis changes his strategy and finds out that financial motivation is very important for the staff in order to provide better service. Working harder will give them a chance for "turnaround bonus" which is up to 5% of their normal salary if they improve in sales and profit targets for the year. Tesco's staff is already benefited from the employee share ownership scheme, but turnaround bonuses are something else. They motivate the staff to achieve something for a short period of time. (Jim Riley, 12th July 2015)

Theory X	Theory Y
• Lack of motivation • Difficulty with communicating with young staff • No face to face communication	• Strong self-motivation • Great ideas • Skilled people

Performance

Tesco takes the third place in Britain of the large retails with world measures by profit. As a company they have over 475,000 employees and more than 6,500 stores. In order to succeed and to have better business performance Tesco developed their own strategy performance which they called Corporate Steering Wheel. This management framework brings the company with powerful tools to align everyone behind a single corporate vision and gives the chance for the company to be sure that the delivery of the strategy is managed and followed properly. An important part the performance of the business are the documents to be up to date otherwise it might reflect on the changing nature of the organization. It is good to know that if priority of the strategic has changed the framework of the performance has to be changed as well. Originally, Tesco's Steering Wheel has four perspectives which are: Finance, Customers, Operation and People. Each of this components contains a number of strategy goals which are the main priorities of the business in order to be successful. An example of finance's goal would be grow the sales and maximize the profit of the business. People's main goal is to trust and respect each other. This brings the team together and encourage people to work harder. What Tesco's want for their customers is to save people's time when they are shopping, not being in a queue for so long and they receive good service. If customers are treated in a right way, they will always come back. An example of operation goal can be that all operations are safe and responsible taken. After sometime working with this frame work, Tesco's decided to add fifth perspective in their steering wheel which is Community. Issues such as climate changes and impact it has on the local community are reasons why Tesco took this important challenge that required another strategy plan and focus. Their goal now is to be fair, responsible and honest. With the new community perspective Tesco reduced the sale of carrier bags by 50 per cent and they source local products. (Bernard Marr, 2019)

Theory X	Theory Y
• Long hours • Ungrateful management • Lower pay rate than other supermarkets	• Strong strategy • Team work • Community friendly

Recommendations

In order to do my report I had to do a research about Tesco as a store and to have a deeper look at its structure, culture, people and performance. What I have realized after all I have read is that Tesco has some really strong structure of people, they try to manage every single thing in their stores and that is why in bigger stores they have three or four layers of management. Their culture is to help other and I was amazed by people's stories about their work there. They feel like they are a part of a big family, but a team which shows that Tesco treats their employees in a way they have to be treated. Back in the days they had issues with managing young people and encourage them to show their best, but with the change of the CEO and the management over the years this changed I think, because I some other newer articles nothing like this was said. They have to think about their staff's pay rate because it seems to be lower than what other shops could offer so they may starting leaving soon. The staff have good ideas, knowledge and skills but they don't have the motivation to share it. Tesco changed their strategy for performance and always thinks about the others which makes the one of the top three supermarkets brands in the United Kingdom.

Conclusion

This report was based on Tesco's structure, culture, people and performance. Firstly, I explained from where and how Tesco started. Then I spoke about the management structure and how it changed over the years. I did a Hofstede analyses for the UK culture. I mentioned what is Tesco main motivation and culture and I found I store of a boy working in the store which said exactly the same. I had the chance to read an article of a girl from 2008. I could compare two opinions with 10 years difference which showed Tesco's progress. After that, I explained and exampled Tesco's performance and their strategy plan for their success. Lastly, I gave my own opinion about what I have read. The references for my assignment will be added on the last page.

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