

Organisational Analyse of Coca-Cola

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Structure and Culture of Coca-Cola



Introduction

Without any doubt when we hear about fizzy drink the first thing that comes to our mind is Coca-Cola. The most famous brand being sold in the world. Firstly, the product was planned to be a medicine then with a brilliantly planned commercial strategy by Asa Griggs Candler transforms it into a leading product for non-alcoholic drinks in the 20th century. Furthermore, even nowadays Coca-Cola is easily recognizable and keeps its positions within the top. In order to outline what brings success to the company we need to analyze its organizational structure, culture, also the connections between them and the people who brought Coca-Cola to the leading positions. (The Coca-Cola Company, 2012)

Organisational Structure

The organizational structure on the one hand defines the number of departments, their synergies, processes and style of management, on the other has a key role in defining the efficiency and productivity of the whole company. It is a group of hierarchically ordered elements, which create connection through work and processes in order to reach a certain goal.

One of the main responsibilities of each manager is to make changes within this structure this being his most powerful weapon to keep his company competitive.

Coca-Cola has a head office or so-called corporate structure. The office is responsible for the overall direction in which the company will go plus providing support to the regional structure. Twelve company employees are responsible for decision making, setting strategic priorities. Meetings are held by the Chief Executive Officer. The rest of the leaders on board have their own areas and regions to control.

The Company's regional structure combines centralisation and localisation and operates six Strategic Business Units:

- Latin America
- Southeast Asia and Pacific
- North Asia, Eurasia and Middle East
- North America
- Africa
- European Union

All Strategic Business Units are separated into divisions. Typical example is European Union. The European Union Business Unit has six sub-divisions: Northwest Europe /The United Kingdom fits into this division/, Iberia, Mediterranean, Germany /Nordic, Italy and Alpine/, Central Europe.

This separation means:

- territorially separated market
- tastes and consumptions may contrast from region to region
- different marketing strategies and development

The structure of Coca-Cola Great Britain combines fundamentals of centralism and decentralisation. All regions operate as business unit team.

On the top of GB Division is a President with Administrator President's Office and President GB Executive.

There are more directors responsible for the marketing area, the public relations, communications, finance, business development and the new beverages.

All local divisions are responsible for the local market- supply, demand, research, and advertising. (Quora, 2019)

Organisational Culture

The culture affects the way how organisation operates, how goals are established, share own perception.

Looking at Coca-Cola part of the culture is a friendly and positive working environment with excellent communication and social climate. In addition the way of working develops the individuality and is highlights the company.

Vision

It is a wide known fact that the world around us is changing. As a leading company Coca-Cola understands the trends within the business and keeps up with them. In relation to this, they are creating vision 2020 where it is set a long-term goal and a road map for a sustainable development.

The main drive of the company is to be a leader in non-alcoholic drinks in every country combined with sustainable growth. For this, the whole team works for and invests in the following:

People /Team: Creating a great working place where employees can find inspiration and be the best version of themselves.

Portfolio: Provide to the world quality products which match and satisfy the needs of the consumers.

Partners: Maintain a constant amount of customers and suppliers through whom to create benefit.

Planet: To be a CSR company creating active citizens through the creation of communities that support this cause.

Business: Increase the long-term return of the shareholder also keeping the promises to the other partners.

Success: Creating one organization that is effective, modern and fast growing.

The overall vision determines the direction of development of the elements of organizational culture and structure. If we take care of our vision carefully, this may be the key to build a strong and lasting relationship with our team and our clients. (Coca-Cola Company, 2019)

Values

Values are what distinguishes, motivates, inspires and supports the company to achieve its goals. The values of Coca-Cola are the courage to share one better future, the passion they work with, the innovations and the diversity to create exclusive brand designs. They are real, they give heart and mind, they use the collective genius and whatever they do, they do it well.

Coca-Cola owes its success to a deeply shared values by its employees and rightly taken actions. Furthermore, the company believes and invests in its people supporting their development.

In addition, team strength is a very important threat that contributes to scale results -it is a system of thousands of employees who share same values and ideas. In this way the team reaches its goals together, share their experience with each other, creating one family. (Coca-Cola Company, 2019)

Focus on the market

The market is where every new brand tries to break through and establish itself as competitive. In order to overcome competition and win consumers who buy your product, you need to come up with a specific strategy and action plan.

In this aspect Coca-Cola does a research on its customers – their likes and dislikes, their need, what draws their attention, based on that adjusting its approach and products. An example of this is the production of several more carbonated beverages that carry the brand but are different in taste and composition. The most popular among them is the diet drink which is becoming the most common diet drink - Coca-Cola Zero.

Other varieties include Coca-Cola Vanilla, Coca-Cola Cherry, Coca-Cola Black and Coca-Cola with Lemon, which allows the brand to reach a wider audience of consumers and satisfy different tastes.

What keeps their leading position of the market is curiosity and research. (Love Food, 2017)

Strategies

To achieve its vision, the company focuses on the following strategic priorities :

Thrust it the society

Coca-Cola believes that business can be as vibrant and healthy as the communities in which it operates. In the long term, sustainable businesses require communities to thrive. The building trust is at the heart of a thriving relationship with stakeholders.

Applicability for the user

Offers its users the right products for all occasions.

Coca-Cola appreciates its users and tries to meet all their growing expectations. Offers suitable packaging and cools the product for the desired freshness.

Customer's preferences

Providing products and services that customers expect.

The key to success is building successful customer relationships, so the company is focused on their satisfaction. The goal is to become the best supplier and to be a highly valued business partner

Managing costs

Coca Cola focuses on reducing costs.

The company continues to improve its ability to use natural resources competently. Water and energy consumption have been reduced and this contributes to the success of global climate and fresh water targets.

At Coca-Cola, they believe in what they do — for business and beyond. In every country in which they operate, they affect the lives of consumers and employees. This brings greater responsibility - a broader goal for the business. This motivates employees to make a significant contribution - not only to the business, but also to the community as a whole. Complexity is what is crucial - always behind one another, in search of meaning in everyday life and contributing to the greater good of the world. (Hitesh Bhasin, 2018)

Management Style

Management style is a global method of leadership used by the managers in the company. There are three main types of styles that Coca-Cola use:

-Repressive style:

In this style the leader makes all decisions and the job is done quickly. There is less battle between the diverse ideas. The repressive style saves a lot of business time and money.

-Independent style:

This style is focused on group agreements. It can be divided into 2 sub-styles - in the first all employees are involved in decision making. In the second style, managers make the final decisions, but employees have the opportunity to take part and offer ideas.

Coca-Cola prefers consultative management style to the company. This confirm less conflicts for what the final decision is. This is also the right way to motivate staff. The negatives come from the process high consuming and will be needed effort by a manager to fix this.

Employees are encouraged to set goals in accordance with organizational goals. Their work is regularly reviewed and evaluated. This increases people's effectiveness and helps them to be motivated.

Independent style allows the director to feel comfortable with other people in the company making some of the choices. Getting feedback about decisions from employees is very important part. Leaders could listen and act on the group opinion.

It means employees are respected and their opinion and ideas have matter. (UKessays, 2016)

Management by Objectives

Management by objectives is a management process that covers leadership, communications and organisational control in the business. Coca-Cola uses several elements in management by the objectives:

- the proof of identity of decided goals by a manager and a subsidiary
- the meaning of the subordinate's responsibilities in relations of decided results
- the usage of decided goals and responsibilities to switch the development of the corporate

Coca-Cola develops their leaders to take insight and stimulation to their work. Leaders, who boost, empower with liability and engage others. Leaders who are positive about firm future, confident and collective and committed to the future of Coca-Cola. Leaders, who set the course and explain strategy into clear prospects, standards of performance and actions for their team. Leaders, who

take responsibility for carrying work that contributes to and delivers goals.
(Jesse G. Munyua, 2014)

Conclusion

Coca-Cola is an example of a company that survived the centuries between World War II and many economic crises to this day. Thanks to its one-way vision, design and team, Coca-Cola will remain the number one product on the market in the future. Made with passion and creativity, it is a favorite drink of every second family around the world.

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