

STRUCTURE AND CULTURE OF

WALMART

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Introduction

Organizational culture in a certain way interprets the structure of any organisation; similarly, the structure moreover partially interprets the culture of a company. It can moreover be explained that the structure is known to be a model or a framework which is for the culture to be executed, while the culture directs the way a corporation must be structured (Haferkamp et al., 2017). The following report will demonstrate the structure and culture of Walmart. Moreover, this report will analyse the ways these components contribute to the performance of the organization. This essay will further illustrate some suitable models and theories of organizational culture and design.

Overview of the organisation

Walmart stores are known to be not just the gigantic retailers; however, it is moreover the colossal grocery chain across the globe. Wal-Mart was established within the year 1962 by Samuel Walton along with his brother J.L. Walton (Ellickson, 2016). The two brothers established the initial Walmart Discount City within Rogers, Arkansas. Besides, the common mission of Walmart Inc. is: "Save the money of people so that they could live better."

Literature review

Structure of Walmart

Every company to be efficient should retain an organizational structure. Also, Organizational structure is known to be the aspect of structure that infers the configuration as well as the reporting structure within the organization. Organizational structure reflects data, progressions from a particular level to another level in the corporation. It is likewise called an organizational chart (Haferkamp et al., 2017).

"Saving the money of people so that they could live better." was the primary mission of Walmart. Thus, Walmart negotiates with distinct suppliers and comprehends the cost structure they provide in order to lessen the rate. Walmart has always been certain about one thing that the manufacturers were performing their best to chop down the costs. Furthermore, Walmart speculated in ascertaining a long-term connection with the company's suppliers (Coutant and Caldwell, 2017). Shipping prices for Walmart are around 3 % that is lower as compared to its opponents, 5%. The distribution centres guaranteed a smooth and constant progression of commodities to aid the supply function. Walmart's logistics and supply chain infrastructure were its rapid and profitable transportation system. Besides, the distribution warehouses of the firm were administered by around more than 3,500 corporations acquired trucks. For making the company's distribution procedure more productive, Walmart moreover utilizes a logistics method known to be the cross-docking. Within the network, the final commodities are rapidly collected by the manufacturer's unit from the suppliers, and subsequently, it is immediately supplied to the consumers. The system lessened the depot as well as pick up of the finished goods, terminating the function of the distribution stores as well as centres (Pepurah and Ganu, 2018).

Wal-Mart's management and administration structure along with the management or administration style model is developed or melded by the principles and values of Sam Walton. Boosting the geographical and size scope of the grocery chain inferred that the firm's managers must be in contact with consumers and the showroom undertakings on a steady rationale. Moreover, the fundamental to the victory of a promising structure is known to be the nicely administered hierarchy degrees as well as effective and efficient communication. Additionally, Wal-Mart's designed in a three-commodity division structure which is a structure by that the transmission among headquarters and individual showrooms is personal (Banerjee and Srivastava, 2017). The division structure along with method is for Wal-Mart's benefit since every department is opened to concentrate its endeavours on objectives like commodities, or consumers. Narrow emphasis enables the corporations to conduct nicely as they point out distinct regions that are required for being altered and modified. The regional vice presidents of Walmart usually are accountable for overseeing along with fifteen district executives. The division structure of the company is distributed in three kinds: market, product, and geographic.

Product Structure

These structure groups' workers that are based upon commodities generated by Wal-Mart. Besides, the instance of this could be manufacturing three different commodities, "commodity a", "commodity b", as well as "commodity c" and possessing a diverse sector for every commodity (Janićijević, 2017).

Market Structure

This structure groups workers jointly based on markets wherein these competes. Moreover, at the store an aspect of marketing structure is utilized. Besides, it sells commodities to all customers. Customer service as well as sales divisions is overseen utilizing market structure (Banerjee and Srivastava, 2017). Consumer service and sales function concurrently.

Geographic Structure

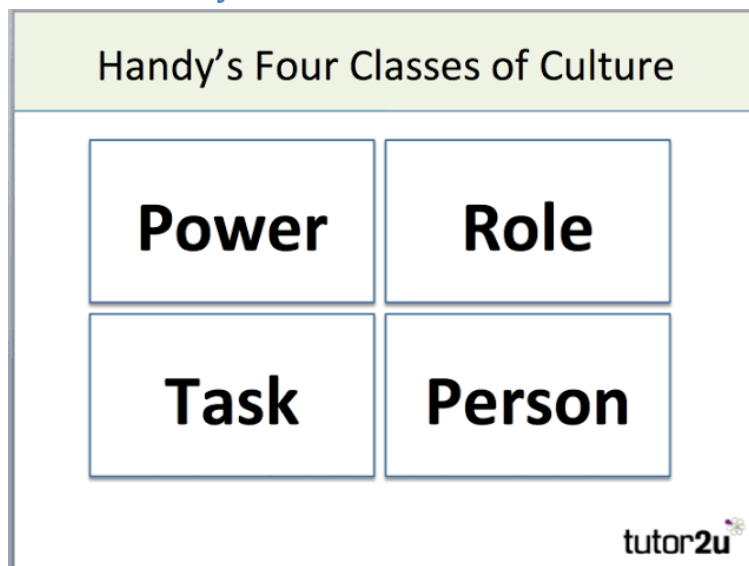
Geographic structure groups workers jointly based on a particular geographic locale. This is continuously utilized by Wal-Mart as the company regulates in several regions throughout the UK or even overseas (Janićijević, 2017).

Culture of Walmart

Wal-Mart is known to be an economic force, the globe's biggest retailer as well as a cultural phenomenon. Additionally, it commenced from a simple ideology from Sam Walton as per to which low rates are proposed for the shoppers than any of the competitors. This fundamental idea is about the driver of the growth and development of the company's organisational culture. Sam Walton's vision and conception were to maintain rates as lowest as possible (Haferkamp et al., 2017). The profit margins demanded by him were not as fast as correlated to the opponents, but he strived to give rise to that up in percentage. Moreover, cutting down the rates for rival's rates was the massive obsession that resulted in a forever pursuit for the cost economies. the culture of Walmart is usually based upon an open-door strategy that encompasses open transmitting that is crucial for comprehensive and fulfilling consumer wants. Additionally, associates could keep faith on the open door (Coutant and Caldwell, 2017). Since it is known as an extensively crucial portion of the culture. Furthermore, Sundown rule implies that the store performs its best in answering the requests on the business day. It is performed by incorporating the undertakings along with being sure of one another to finish the job (Peprah and Ganu, 2018).

Theories and models of organisational culture and design

Charles Handy's model



Task culture

This culture is basically based upon the worker's contribution to a specific task that defines their productivity along with effectiveness in their performance. The as culture is concentrated upon the functions and operations that need completion of jobs as a priority (Turlais and Dubkevics, 2017).

Power culture

This culture is basically an operational culture that controls the execution and performance of the workers by regulating the power of decision making. The power culture holds a substantial influence on the operations of the company (Yerznkian et al., 2017).

Role culture

Role culture concentrates upon the functions that deal with the style of operation which appreciates the functions depending upon the roles of the workers. Role culture is known to be a stable culture where workers are familiar with their roles and contribute to working productively (Yerznkian et al., 2017).

Person culture

These cultures treat the workers within the working environment like a priority and their functions are given substantial significance so that they could contribute to the undertakings with enhanced effectiveness (Turlais and Dubkevics, 2017).

Analysis

Relation of Walmart's organisational performance with culture

The operations of Walmart rely upon these components to a certain extent and impact the working and operations that decide the efficiency and productivity of the firm leading to the growth within the business environment. The ruling culture assists Walmart in gaining competence within their business environment by enhancing the focus perception towards the operations. This assists Walmart to boost its effectiveness within the functions as there is enhanced awareness among the workers for their job rules which assist them to function efficiently. Power culture assists the firm in maintaining hierarchy by providing the ability of decision making to people who have experience. This assists Walmart in enhancing stability within its operational environment. Person culture assists Walmart in building competence within the operational environment by concentrating on the proficiency of workers (Triguero Sánchez et al., 2018).

The efficient implication of cultures within the business environment of Walmart helps them to gain proficiency and boost the contribution of the workers which would eventually build performance.

Impact of Walmart's organizational structure on the performance

The organizational structure influences the functional and operational stability within the firm to a particular extent since it aids the company in controlling the operations by regulating the efficient working environment with an adequate flow of information and data. The formal structure of Walmart assists in gaining proficiency in the functions. Walmart retains a hierarchical structure, and the workers contribute to the functions according to the experience and job roles (Nene and Pillay, 2019). This formal structure helps Walmart to enhance Credibility in the operations along with lessening the instability. The organizational structure assists Walmart by introducing efficiency and effectiveness within the company structure by retaining a healthy working environment wherein the workers are familiar with each role in the business environment. This hierarchy assists in strengthening discipline. It also helps the workers to give their maximum efforts with increased efficiency and prior determination.

Impact of people on the performance of Walmart

The performance of the firm greatly relies upon the people or employees working in it. The employees and all people that are working at Walmart are highly skilled as well as trained as the company focuses and concentrates on every worker's development and skills. This helps the company to gain proficiency and competence within the operations through efficient and effective contribution. The workers at Walmart gain proficiency over time which assists them to comply and acknowledge the changes within the marketplace. The abilities and skills help them to expand an efficient strategy which helps the employees in increasing the execution and performance of the firm along with growth in its structure (Ramzy et al., 2018).

Efficient contribution of the workers within the functions and operations of Walmart has assisted the company in reaping exceptional growth, which had made their processes even more efficient so that the firm could comply with the circumstances of the business environment with proficiency and gain a competitive advantage over the rivals in the market.

Organisational design

Divisional structure

It is an organized structure wherein every employee is allocated within the operational environment. This structure assists in retaining effectiveness since this specifies the organisational structure as the chief of the company within which the operational executive has distinct divisions for monitoring the departments that are distributed in subdivisions monitored by the superiors as well as the workers who assist in retaining the organisational performance (De Sousa, 2019).

Functional structure

It is the simple aspect of the divisional structure within which the company's employees are distributed within the operational environment. In this, there is a near to the company under whom each divisional head works as well as the employees (Klein, 2020),

Team structure

It is an efficient working structure that assists the company in concentrating upon several tasks by authorizing a team in the workplace relying upon its operational stability (De Sousa, 2019).

Network structure

It helps in maintaining the performance and execution of the company by a team known as an organizational core that holds the authority to make a judgment in the operational environment and gain proficiency over instability to build growth in the functions of the working environment (Klein, 2020).

The organizational design which is followed by Walmart

The implementation of Walmart of the following organizational structures had assisted in specifying the operational structure. Moreover, the network structure assists the company to gain control over the working as well as competence. The execution of network structure in Walmart helps the pioneer of the company in controlling the operations (De Sousa, 2019). The network structure within Walmart makes the organisational core being the fundamental regulator of the operations within the working environment. It moreover helps in controlling the flow of authorities efficiently so that there is increased productivity within the organization which helps to gain competence in operations (Klein, 2020). The structure has also helped in retaining the efficiency and effectiveness within the working environment as well as it has also assisted in attaining growth.

Conclusion

To recapitulate the above-mentioned report as demonstrated in the contemporary workplace while pertaining to the organisational culture and structure of Walmart. This report has comprised an examination of the relation of performance of the organization with structure, culture, and people. This report has also highlighted the main elements which impact the business environment of Walmart and influence their employees' performance. Lastly, it has also demonstrated the worker's role as well as the approach of organisation in increasing the import of the workers and their impact on the business environment.

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