

STRUCTURE AND CULTURE

British Airways

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INTRODUCTION

Organisational culture and structure have been considered as the basis of organisational success. Although, both the concepts are closely related to each other. In the organisation, its structure defines the rules and working guidelines and combines to form the organisational culture. Organisations nowadays are highly focusing on their organisational structure and culture, as open and friendly organisation culture encourages the workforce to bring creativity and innovativeness at the workplace. Apart from this, a friendly working environment makes it easier for employees to adjust to the workplace. This report highlights the organisational culture and structure of British Airways. In this report, the relation between the organisational culture, structure, people and performance will be discussed. In addition to this, different leadership and management theories which are adopted at the workplace of British Airways will also be discussed in this report. Apart from this, the factors that affect the behaviour of individuals will be discussed.

RELATION BETWEEN ORGANISATIONAL CULTURE, STRUCTURE, PEOPLE AND PERFORMANCE OF BRITISH AIRWAYS

The term organisational culture and structure are directly related to the performance of the organisation. In this section, the relation between them are discussed –

ORGANISATIONAL STRUCTURE

Ramanadham (2019), defined this as the system which frames out the different activities of the business which defines the guidelines to the employees.

Different types of organisational structure are as follows –

Functional structure – it is one of the most commonly used structures by multiple organisations across the world. This structure is very popular because of its simplicity and effectiveness. According to this structure, the working of the organisation has been bifurcated into different departments and the workforce of the company is allocated respective departments based in their qualification and interest (Bai et al., 2017).

Divisional structure – this structure is entirely different from the functional structure, as in this structure the people of similar skills and knowledge are not grouped, despite grouping the different people, the workforce has been divided in the organisation, wherever the management feels their need (Fairfield, 2016).

Matrix structure – it can be defined as the combination of functional and divisional organisational structure. This structure comprises of a team which is made up of the members of the different departments of the organisation. The members of the different departments come together for a specific project. However, such type of teams is formulated on a temporary basis and dissolved after the completion of a specific project (Bazigos and Harter, 2016).

Flat structure – it is the type of organisational structure in which one person is at the top and that person controls the working of the others. At every level, there is one head and all the persons working under them have to follow the orders of the upper level (Spaneas and Cochliou, 2013).

In British Airways, divisional structure and flat structure is followed at the workplace.

ORGANISATIONAL CULTURE

According to the Carlström and Ekman (2012), the culture of the organisation in the collection of the values, norms, beliefs and assumptions of the business which determines the behaviour of the people in the organisation.

In British Airways, the workplace culture controls and manages the interaction of different people at the workplace and also regulates their interaction outside the business.

Different type of organisational culture is determined by the researchers which are as follows –

Hierarchy – Oh. and Han (2020), has defined this culture as a stable and well-defined organisational culture. Although, this type of culture is formal, in which the management and the higher authorities control the working to assure the smooth flow of operations at the workplace.

Market – this structure is quite similar to that of the hierarchical organisational structure. However, this type of organisational structure emphasis on high productivity and performance and is suitable for a competitive business environment.

Clan – in this type of organisational culture, higher emphasis is on the employees. Therefore, the organisations focus on creating and offering a friendly and comfortable working environment for their staff. It will also be helpful in increasing the loyalty of the staff which reduces the employee turnover. Apart from this, more significance is given to the teamwork.

Adhocracy – it is the type of organisational culture, which encourages their employees to think out of the box. Therefore, employees are motivated to perform different experiments for creative and innovative working. Organisations having this type of organisational culture promotes creativity and innovativeness. However, the roles of the staff are not defined in this type of organisations (Oh and Han, 2020).

Just like the organisational structure, it is not necessary, that single type of culture is followed in the organisation. In BA, adhocracy and market culture is adopted as it facilitates higher productivity and profits.

RELATION BETWEEN CULTURE, STRUCTURE AND THEIR IMPACT ON THE BRITISH AIRWAYS

The relation between the organisational culture and structure of British Airways affects the performance of the business and people as well. The divisional and flat structure of the

organisation supports the people of the BA and also results in the attainment of specific goals of the company.

Flat and decentralisation structure of the organisation, facilitates the management in effectively guiding their workforce and also supports them in influencing their practices. This type of organisational structure at the workplace of BA has gifted a company qualified and well-trained staff (Real et al., 2014).

To attain the objectives of the BA it is important that there must be proper structure and culture of the organisation. In BA flat and divisional structure has been followed. It means there is one top positioning officer in BA which is the CEO of the company. Other authorities are working at a lower level. These lower-level employees of the business have to follow the order of the higher authorities. The structure defines the culture of the organisations. In the BA market and adhocracy culture has been followed. These culture offers growth opportunities to the staff and encourages them to bring innovative ideas in the business, which will directly contribute to the productivity of the organisation (Real et al., 2014).

MANAGEMENT AND LEADERSHIP OF BRITISH AIRWAYS

LEADERSHIP STYLES

Autocratic leadership style – this style can be defined as the leader centred style, in which decision-making power lies in the hands of the leaders and managers only. Apart from this, the leaders used to have strict control over the working of the staff. This leadership style was followed at the workplace of BA, but due to the large size and extent of the business operations of BA, the company has to bear major losses. During the period of 1996 to 2000, the poor performance of the BA is the result of the autocratic leadership style (Chukwusa, 2018).

Participative leadership style – it is also known as a collaborative leadership style. Unlike the autocratic leadership style, the decentralised decision-making process has been followed by these leaders. It means that the organisation following this leadership style will have to involve their staff in the decision-making process of the company. It builds confidence and boosts the morale of the employees. In addition to this, this style is also helpful in improving the relationship between the managers and the staff (Chan, 2019).

Transformational leadership style – it is the leadership style, in which the leaders used to motive and encourage their team to work effectively. The leaders used to identify the changes

required in the workplace and then develops a vision to execute the changes. This style is also effective in the growth and success of the organisation (Mittal and Dhar, 2015).

Autocratic leadership style was first adopted by the BA but it seems to be ineffective, therefore, transformational leadership style has been adopted by the company. Transformational leadership style has made it easier to pass down the vision of the CEO to the lower-level employees.

MANAGEMENT APPROACHES

There are three main types of management approach which are

Classical approach – this management approach that the workers mainly have two types of needs which are physical and economic. Social needs such as job satisfaction are not considered in this approach. Moreover, this management approach focuses on recruiting qualified and specialised workforce (Honerkamp and Römer, 2012).

Neo-classical approach – this theory was an attempt to solve the issues faced by using classical management approach. Therefore, the social needs of the employees are also considered equally important to the economic and physical needs, in this management approach.

Modern approach – this management approach is highly used in today's business organisation. This management approach facilitates the managers in effective decision making. In this, approach, all the different aspects related to the firm and staff are considered and hence, focuses on the adoption of the latest technology (Fristedt and Gray, 2013).

Being an airways company, it is important for the BA to adopt the latest technology that helps the company to remain competitive in the market. Therefore, modern management approach has been adopted at the workplace of BA, which provides higher performance along with the greater revenues.

FACTORS AFFECTING INDIVIDUALS BEHAVIOUR

Personality: according to Mischel (2013), it is the amalgamation of multiple traits which determines the behaviour and attitude of an individual. In addition to the behaviour and attitude, the nature of the person can also be defined through the personality. Therefore, at the time of the recruitment process, it is the responsibility of the managers to analyse the personality traits of the candidate they are hiring. Because, the personality of a person is considered their most precious asset, which supports them in interacting with others, developing perspectives about

different things etc. therefore, and people with negative personality can ruin the working environment of the company. As, the personality of the person influences their behaviour, therefore, in this section, the OCEAN model that is also known as the Big Five Personality Test will be discussed.

TRAITS OF THE BIG FIVE PERSONALITY TEST

In most of the business organisations, big five personality trait has been considered by HR managers while recruiting the employees. As it helps in influencing the behaviour of the employees at the workplace. In this model, there are 5 different dimensions which are related to the overall performance of the individual. These traits are as follows –

Openness – it is the first aspect that includes the people who are interested in learning new things. Apart from this, such type of people is always eager to take new experiences. People who belong to these traits are usually innovative, creative, imaginative and insightful (Credé et al., 2012).

Conscientiousness – according to this, the persons who have a high level of attentiveness are usually more dependable and prompt. Being vigilant, such type of people prefers to be organised. Traits which are commonly found in such people are organised, vigilant, methodic and systematic.

Extraversion – extroverts are those who like to interact with others. Such type of people are very open and feels energetic while interacting with others. Such type of people easily adjust anywhere and hence creates a positive environment at the workplace (Credé et al., 2012). Common traits which are found in an extrovert are chatty, enthusiastic, self-confident etc.

Agreeableness – This type of people are very co-operative, friendly and kind. However, people with low agreeableness likely to remain far from everything. Some of the common personality traits of such type of people are sympathetic, kind, co-operative, friendly etc.

Neuroticism – sometimes this trait is also defined as emotional stability. It can be simply defined as the person with high neuroticism likely to have a more negative emotion, a high degree of mood swings, emotional instability etc. (Credé et al., 2012).

These five personality traits affect the behaviour of the people in the workplace or places other than the workplace. Hence, while recruiting the staff, the HR managers must rate the behaviour based on these aspects.

CONCLUSION

In the above report, it has been found that how the structure and culture of an organisation represent its working and performance. Along with the current working conditions of the organisations, the future of the company can also be predicted through its working culture and structure. Apart from this, the report discusses how the performance of the organisation gets affected because of the culture and organisational environment. However, good organisational culture decreases the employee turnover, although this possible only when the team such as leaders and managers will co-operative. All the important aspects related to the organisational culture, structure, people and performance are explained in the above report in context to British Airways.

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