



Prifysgol Cymru
Y Drindod Dewi Sant
University of Wales
Trinity Saint David

Introducing the Modern Workplace

LCBB4003

Assessment 2-Organisational Behaviour for TESCO PLC

Student's name and ID:

Cristina Caraman (2125666)

Metodi Kirilov Katsarev (2124369)

Constantin Somodi (2123844)

Ana-Maria Ciobanu (2123843)

Elena Alina Grigoras (2112864)

Lecturer name:

Aparna Venkatesan

*Organizational
Behaviour
The Case of
Tesco Plc*



Introduction



- Organizational Behaviour is human behaviour at the place of work.
- It is important because it allows managers to better comprehend employee behaviour and take an action to create strong relations between organizational goals and employees (Buchanan and Huczynski, 2019).
- Tesco Plc in the United Kingdom is presented.

TESCO'S PROFILE

It is a British-based multinational general merchandise and groceries retailer, founded in 1919.

Its headquarters is in Welwyn Garden City, England.

The business politics of Cohen was easy: buy out smaller grocery stores and sell everything cheaper than they used to be. The idea resulted in instant success.

In 1929 Jack Cohen opened the first Tesco store in Burnt Oak, Edgware, north London

Since the early nineties, Tesco has been growing globally, with operational processes in 11 other countries which include both Europe and the Asian region

In 2011, Tesco was the world's third-largest retailer by gross revenue as well as ninth largest by revenue. It had 27% UK's grocery market share as of 2020.

TESCO'S PROFILE

- In 1993 Tesco launched the campaign “Every little help”
- In 1994 Tesco became the first UK retailer to offer its customers a self-checkout system.
- Tesco was the first European grocery and commercial store chain which has released its Clubcard system in 1995.
- Tesco was the first ever online store which started to sell its products online already back in the Eighties.



The link between Organizational Structure and Performance



Organizational theory deals with the study of the structure, operation, and performance of organizations and groups and individuals' behaviours within them (Fligstein, 2021).

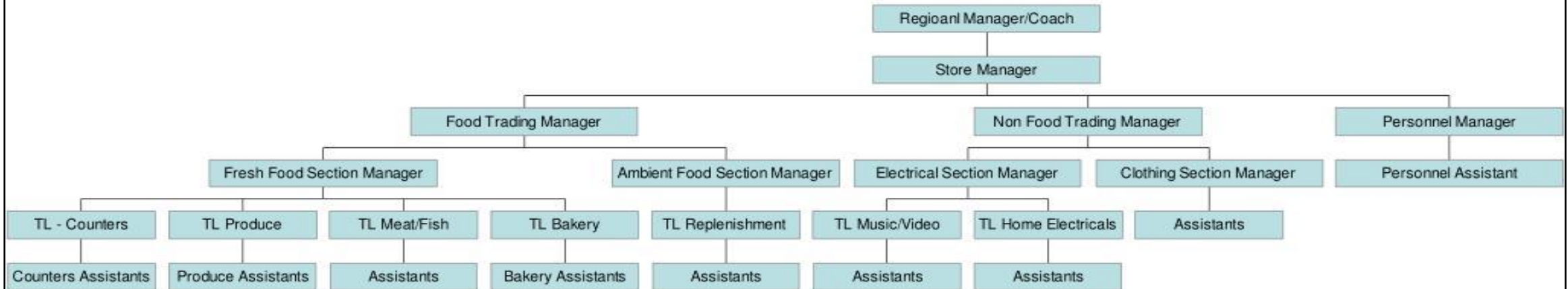
One of the organizational theories is bureaucracy.

Max Weber's bureaucratic theory, this structure is essential in big enterprises in structurally undertaking entire tasks by a large number of workers.

Furthermore, within a bureaucratic organization, recruitment and promotion are only based on technical qualifications (Kanter, 2019).

Tesco's organizational structure follows Bureaucracy.

Organisational Chart - Tesco Stores





<https://seafood.media>

The organizational structure of Tesco is made up of three levels of management: top, middle, and base.

A ten-directors board, led by the CEO, governs the company at the highest level.

Next is the mediate level, which is made up of five committees.

Following Tesco's committees and boards, staff members are split into specific departments.

The organizational structure here begins at the top with a regional manager. Then store managers, who are followed by three other managers. All three managers possess some subordinates.

Decentralized organization structure

- Tesco PLC has a decentralized organizational structure.
- This structure occurs whenever lower levels of a company have decision-making authority (Santana and Albareda, 2022).
- Tesco store and regional managers may make decisions that are appropriate for their customers and the local area.

Tall (Hierarchical) Organizational Structure

- Tesco's organizational structure is tall; hierarchical, in terms of leaders and levels of management.
- It implies that there are numerous leaders as well as management layers.
- Managers have a limited control span in this environment, and there is generally a long command chain (Otley and Berry, 2019).

Based-Product Organizational Structure

- Tesco has an organizational structure based on products.
- This structure means employees are divided into groups based on the product they are working on, the customers they serve, or their geographic location.
- Because employees are assigned to a particular region rather than on basis of their specialized skills, the employees are not frequently directed or engaged in tasks they excel in and frequently lack the abilities required for some projects on which they must work (Loonam et al, 2018).

The Skills and Tasks that the Manager Employs in order to Run Tesco



Tesco's managers use managerial skills categories to run the company, including conceptual, human and technical skills.



Tesco's top-level managers are able to think of potential solutions to challenging issues thanks to their conceptual skills.



They gain a comprehensive organisational view and its relationship to the larger external environment that surrounds it via their capacity to visualize conceptual situations. To be successful in their jobs, top-level managers ought to possess these conceptual skills (Sultan, 2020).



On the other hand, human skills equip managers of all levels to effectively interact with others.

- Through the aid of human skills; leading, communicating, motivating, and inspiring them becomes simple.
- Engaging with individuals, both within and outside of the organization, is unavoidable, so Tesco's managers acquire these human skills (Khare and Valma, 2017).

- Furthermore, Lower-level Tesco managers must also have technical skills in order to perform their duties proficiently and effectively.
- Lower-level managers value these skills because they are in charge of non-management employees who use a variety of tools and techniques to produce high-quality services and products for their firm (Nuseir, 2020).



Leadership Theories Application on the Organisation

Tesco's mission is to improve everything which matters.

Tesco could also apply different leadership theories to the circumstance and provide customer service.

Transactional leadership theory



It is used by mid and managers and is only applied to self-motivated workers.

This theory contains three components: management by passive, exception, as well as contingent reward.

When Tesco leaders use the theory of management, they demonstrate their trust in their workers.

When Tesco leaders use passive management, they may fail to complete a project within the scheduled time.

Employees are given contingent rewards to motivate them to perform their duties and to inspire them for a long term (Cho et al, 2019).



Contingency theory

IT IS RELATED TO VARIOUS ENVIRONMENTAL VARIABLES WHICH ARE STRONG ENOUGH TO DETERMINE THE APPROPRIATE APPROACH TO LEADERSHIP FOR THE FIRM.



LEADERSHIP ABILITIES ARE NOT REQUIRED TO BE A COMPETENT LEADER, AS PER THIS THEORY. TESCO'S COMPETENT LEADER TO BE SELECTED IS DEFINED SOLELY BY MANAGERIAL ABILITIES AND SKILLS (USLU, 2019).

Situational theories

- *As per this theory, leaders are capable of assessing and diagnosing critical circumstance that occurs in the firm, and they also are sufficiently skilled to make immediate decisions based on the circumstance.*
- *This leadership type ability is critical for whichever retail store, like Tesco, because they encounter occasionally critical situations involving customer service or defective products. In this case, situational leadership theory must be applied (Thompson and Glasø, 2018).*



Factors Influencing Team and Group behaviours



Interdependence

Interdependence refers to the mutual reliance of members of the group on one another.

A group containing members each of whom offer their own areas of expertise or specialized skills, such that every group member is dependent on the rest in order for the team or group to prosper, will act differently as compared to a team or group having members who have interconnected abilities and skills. The best configuration depends on the group's goals.

While a group of subject matter specialists from different sectors can widen the group or team's experience, also it allows for only one point of view on any issue at hand. Group or team with members that share knowledge, on the other hand, may provide more viewpoints, resulting in a vastly verified solution - but at the expense of discussions and debates (Kenny, 2018).



Social Interaction



It pertains to both the amount of engagement group or team members have outside of the workplace prior to the formation of the group or team and the amount of social engagement they have while the group is in existence - the group or team might be based on project or of undefined length.



The extent toward which members of the team or group interact within a social dimension impact how they connect within work capacity which they have been delegated, regardless of the time length.



In general, the further the social interaction a team or group has, the better it works together. Nevertheless, there is a level at which excessive social interaction can reduce group effectiveness by provoking the team or group to lose concentration and turn their tasks into other social interaction (Rogers and Smith-Lovin, 2019).

Group's/ Team's perception

Every group, like every organization, has its own culture and sense of the reason it exists. The reason for this is the group's perception.

One group may meet less frequently and is probably to have members from various sectors, therefore members are unlikely to have a lot in common, leave alone form a strong team or group perception.

Nevertheless, another team may see itself as a team or group which works each day toward a common goal, and thus will benefit from this bond perceived (Newman, Ford and Marshall, 2020).

Conclusion

- *Tesco is one of the best-established organizations in the UK.*
- *Tesco's primary mission is to attract new customers and maintain them loyal.*
- *The company has applied different technology processes in order to evaluate its customer's needs, attitudes, likes and dislikes. Tesco also has a specific layout that is used in every branch.*
- *Diversification and embracement of technology have enabled the company to dominate the retailing sectors for a long time.*
- *Thru innovation, Tesco is able to adapt to market changes and maintain its high quality of customer service.*



Thank you

A close-up photograph of two people in business attire shaking hands. The person on the left is wearing a light blue suit jacket, and the person on the right is wearing a dark grey suit jacket. The background is blurred, showing other people in a professional setting.

TESCO



Every little helps

References

- Bennis, W.G., 2017. Beyond bureaucracy. In American bureaucracy (pp. 3-16). Routledge.
- Buchanan, D.A. and Huczynski, A.A., 2019. Organizational behaviour. Pearson UK.
- Cho, Y., Shin, M., Billing, T.K. and Bhagat, R.S., 2019. Transformational leadership, transactional leadership, and affective organizational commitment: a closer look at their relationships in two distinct national contexts. *Asian Business & Management*, 18(3), pp.187-210.
- Custódio, C., Ferreira, M.A. and Matos, P., 2019. Do general managerial skills spur innovation?. *Management Science*, 65(2), pp.459-476.
- Downie, R., 2021. Who Are Tesco's Main Competitors? *Invostepedia*.
- Fligstein, N., 2021. Organizations: Theoretical debates and the scope of organizational theory. In *Handbook of classical sociological theory* (pp. 487-506). Springer, Cham.
- Kanter, R.M., 2019. The future of bureaucracy and hierarchy in organizational theory: a report from the field. In *Social theory for a changing society* (pp. 63-93). Routledge.
- Kenny, D.A., 2018. Reflections on the actor–partner interdependence model. *Personal Relationships*, 25(2), pp.160-170.
- Khare, S. and Varma, A., 2017. Roles and Responsibilities of Managers in Corporates—An Insight.
- Loonam, J., Eaves, S., Kumar, V. and Parry, G., 2018. Towards digital transformation: Lessons learned from traditional organizations. *Strategic Change*, 27(2), pp.101-109.
- Newman, S.A., Ford, R.C. and Marshall, G.W., 2020. Virtual team leader communication: Employee perception and organizational reality. *International Journal of Business Communication*, 57(4), pp.452-473.
- Nuseir, M.T., 2020. Potential impacts of blockchain technology on business practices of bricks and mortar (B&M) grocery stores. *Business Process Management Journal*.
- Otley, D.T. and Berry, A.J., 2019. Control, organisation and accounting. In *Management Control Theory* (pp. 101-114). Routledge.
- Rogers, K.B. and Smith-Lovin, L., 2019. Action, interaction, and groups. *The Wiley Blackwell Companion to Sociology*, pp.67-86.
- Santana, C. and Albareda, L., 2022. Blockchain and the emergence of Decentralized Autonomous Organizations (DAOs): An integrative model and research agenda. *Technological Forecasting and Social Change*, 182, p.121806.
- Sultan, A., 2020. Effective leadership and its impact on organisational performance: retail industry (Tesco) (Doctoral dissertation, University of the West of Scotland).
- Thompson, G. and Glasø, L., 2018. Situational leadership theory: a test from a leader-follower congruence approach. *Leadership & Organization Development Journal*.
- Uslu, O., 2019. A general overview to leadership theories from a critical perspective. *Маркетинг і менеджмент інновацій*, (1), pp.161-172.