

**Organizational analysis**  
**(Tesco)**

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Community engagement

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## Introduction

In order to understand how organizations operate in a current market situation one would need to make inquiries into various processes that an organization has to undergo in order to sell products to its customers. A detailed analysis of its structure which includes the various departments and hierarchies within the organization shall also have to be analyzed. Therefore, in order to better understand organizational structure, I have taken the example of TESCO, the leading British grocery chain, and put various aspects of the organization under detailed analysis.

**Sector of TESCO:** TESCO is a quite well-known company when it comes to grocery stores in the UK. It was started in 1919 by Jack Cohen as a group of market stalls. From then on, the company has rapidly expanded and now it is a multinational organization ([Tescopl.com](https://www.tescopl.com), 2018). However, in the 90s TESCO attempted at expanding into other diverse niches that include furniture, petrol, toys, telecoms et cetera.

**Size and structure of TESCO:** TESCO is a huge multinational corporation and has grocery and general merchandise stores all over Europe and Asia. In UK, Ireland, Hungary and Thailand, TESCO happens to be the leading grocery supplier. In terms of profits, it is the third largest retailer in the world and in terms of revenue it comes in the ninth position ([Tescopl.com](https://www.tescopl.com), 2018).

### The goals, mission and values of the organization

TESCO has a three-pronged vision that includes creating value for customers, welfare of the employees and innovating to create new value in the market. It has to be considered that TESCO's vision has had undergone a significant process of evolution since its inception in 1919. And as a large organization spanning over several countries, it has to retain a vision in order to sustain itself among a number of competitors. TESCO's mission is to cater to the needs of its consumers and continue creating value for them in the future. In fact TESCO's motto communicates this approach towards business: "No one tries harder for customers". As a corporation, it has to be remembered that it also has the responsibility to earn profits for its stakeholders. Therefore, developing ways of increasing profitability in the current market situation is also another important mission for TESCO ([Tescopl.com](https://www.tescopl.com), 2018).

Moreover, TESCO understands that as a huge organization it has certain responsibilities towards the society and the environment as well. TESCO is committed towards charity and till date has raised 15 million euros in charity. TESCO is also committed towards developing more sustainable

modes of production that would help in preserving the ecology of the planet (Edinger-Schons *et al.* 2018).

### **The customer of the organization and their overall expectations from it**

TESCO's approach towards acquiring their customer and earning their loyalty has undergone several episodes of growth. In the 90s, TESCO underwent a major change in its marketing approach. It expanded its range of customers across several social classes with commodities starting from 'TESCO Value' which usually included easily affordable products to 'TESCO Finest' that referred to more expensive products. Therefore it has to be understood that TESCO caters to a large group of people. For a major portion of its customers price is an important issue (McDonald *et al.* 2011). Therefore, TESCO has to make sure that it sets an optimum price level that would make customers return to buy its products.

### **Discussion and analysis of the organization**

#### **Analysis of the overall elements of the organization by making use of a PESTLE analysis**

A pestle analysis can be made in order to understand about the overall details related to the TESCO organization. The economic as well as other terms related to the company and the different kind of decisions that have been made shall be analysed with the help of the PESTLE analysis.

| <b>The different macro factors that affect the organization</b> | <b>Details and its impact on the organization</b>                                                                                                                                                                                                                                                                                                                             |
|-----------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Political factors                                               | The recent changes in the political segment of United Kingdom related to incoming of brexit and issues related to the changes from Euro have directly impacted the operation of Tesco in a greater value (Walsh 2015). Changes in the operation of political ground have also devalued the strength that Tesco used to have from the government point of view regarding their |

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|                       | operation and incurring expenses with subsidies.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| Economic factors      | The organization has been one of the biggest supermarket chains of the nation. They have been engaged in the industry since many years. The organization possesses enough economic strength in order to bring a widespread changes in its overall line of operations and to gain enough competitive advantage in the recent sphere of its operation (Hadjisolomou, 2015).                                                                                                                                                                               |
| Social factors        | The social factors are also suitable. The people of the country prefer to buy their commodities and daily necessities from stores which keep huge stock and alternatives for each of the items that are been sold off by them. Escort Summer Research it is observed that your organisation is generally filled with people from the society who wish to work 24 days a month and 7 hours every day. The objective to work for Tesco is closely related to the earning of profit or salary to support their family in the most economical way possible. |
| Technological factors | The technological factors that are available in the country can be said to be suitable. The nations being one of the targets of the developed countries have enough technological advancements. Different kind of modern equipments in order to do with billing and accounting and surveillance over the stores are used in order to cater to all of their needs.                                                                                                                                                                                       |
| Legal factors         | The legal factors of the nation can also be termed to be suitable for the overall business. However, the laws that are applicable in the nation does go contrary at some terms with the the vision and mission possessed by the organization and kind of decisions that are made by them organization. There is strict                                                                                                                                                                                                                                  |

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|--------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                    | provision for every Organisation in society to maintain Their operation with respect to sustainable development of environment. There is a concentrated site over employment law in the country which support the rights and the requirement of the employees in the organisation                                                                                                                                                                                                                                                                                                                                                                                          |
| Ecological factors | The ecological factors termed to be not suitable for the organization Though their mission and vision do not get against the laws, the steps that are taken by the organization in order to dispose their wastes can be said to be hazardous for the economy. The organization disposes off solid wastes in huge quantities, mainly the non biodegradable wastes and packaging materials (Babajana and Webber, 2015). With growing awareness among the people of United Kingdom in the organisation have decided to ban plastic bags and rather use jute bag. There have also been option for minimising the use of plastic straws for drinks provided in the supermarket. |

### **Role of employees within the organization and the support provided by them**

Employees are an essential part of any kind of business organization. The employees of the organization act as a crucial element of the organization. They can be termed to be support pillar for the whole TESCO organization. Being one of the major supermarket chains, the organization requires high level of technical knowledge in order to operate and maintain the modern surveillance and accounting devices. Further, they also need employees in order to assist the customers and operate the machines. All these tasks are performed by the employees of the organization (Vu, 2016). The organization in the present possesses many of the technical experts who helps in the proper maintenance of all the machines and devices. Further, all the supervising works are done by the employees and the organization has a great scope offering varied jobs for the youth of the nation (Pellegrini-Masini and Leishman, 2011). The organization has been pretty much dependent on the the employees as a whole. Therefore, the organization takes good care of the employees and has a sufficient payment structure for the employees (Lewis and Loker, 2014).

The employees form to be the basic level of the operation of the supermarket chains and they are made to be apart for some of the crucial decision that are made by the organization. Thus they play a huge role for the organization. The employees can be referred to be responsible for the performance made by the organization and the amount of profit or losses that are borne by them.

### **Training and development and its importance to the organization**

Training and development brings out in space within an organisation and therefore help in sharpening the edges of their deficiency level in the organisation to perform better. In consideration of the operation presented by Tesco It is seen that employees in the organisation are highly motivated by the organisation presented by their manager and therefore training and development seems to be an important aspect for them.

### **Role in the organization and its importance to it**

The role of customer service department in an organisation is to have knowledge regarding the requirement of the customers and to support the requirements for knowledge. The opportunity of an organisation is directly proportional to the activities presented by Customer Service Department work (Mowday *et al.* 2013). The working activity presented by them can be directly coordinated with the activity presented by people because Customer Se directly coordinated with the activity presented by people because Customer Service Department worker directly deal with the changes in the taste and preferences of them

### **Skills that are required to carry out the role**

Skills that are required to be a better Customer Service Department worker is to have a proper communication skill. Proper set of communication skills would support and Organisation worker to maintain proper set of information together objective that would help in operating the organisation properly. The assessment of proper views is another skill that one must have to become a proper Customer Service Department manager.

### **The training and development requirements that need to be considered**

Training of providing listening skill and developing the presentation skill is important in an organisation like Tesco. Gathering of option and providing of Appraisal technique is an important format of training and development that could be supported for the customer Service Department workers. The objective of this would have been in response to the better understanding of customer and therefore training and development for Customer Service Department regarding patience and tolerance could also be useful. The training and development requirement that are also important

for Customer Service Department are the Training of providing proper listening skills. Providing a proper listening and communicating skills would support and organisational worker to provide valuable knowledge

## **Conclusion**

TESCO's example would be an excellent one for demonstrating the nuances of organizational management. A proper analysis of the structure of an organization would reveal the multi-dimensional tasks that the organization has to perform on a consistent basis. It has to stick to a certain vision in order to ensure that it does not stagnate and continues growing in the future. It has to intelligently research the market conditions and determine new ways of production in order to lead the market. And it also has a responsibility towards the society and the environment. However, these are just the external aspects of managing an organization. There are equally complex and crucial internal dimensions towards sustaining an organization. We have witnessed that TESCO also has a commitment towards the welfare of its employees and of its stakeholders. A huge production mechanism has to be reinforced by an efficient inventory management system. Various technologies are to be maintained in order to keep track of its stock. The changing market conditions also demands upgradation of processes and training of workers to infuse a spirit of dynamism in them. The above assignment illustrates these aspects of TESCO in detail.

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