

# UNIVERSITY OF WALES TRINITY SAINT DAVID- LONDON

4/12/2017

## PROGRAMME - BUSINESS MANAGEMENT

### UNIT –INTRODUCING THE MODERN WORKPLACE

DONE BY: DUSYANDAN SIVAPRAGASAM

AD NO: 1705080

TUTOR: MR. SYED

## **Table of Contents**

|                                               |    |
|-----------------------------------------------|----|
| 1.0 INTRODUCTION .....                        | 2  |
| 2.0 ORGANIZATIONAL STRUCTURE .....            | 3  |
| 2.1 Span of Control .....                     | 5  |
| 2.2 Centralization and Decentralization ..... | 6  |
| 2.3 Chain of Command .....                    | 6  |
| 3.0 ORGANIZATIONAL CULTURE .....              | 7  |
| 4.0 PRESENT KELLOGG'S COMPANY .....           | 9  |
| 5.0 CONCLUSION .....                          | 11 |
| 6.0 REFERENCE .....                           | 12 |
| 7.0 APPENDICES .....                          | 13 |

## 1.0 INTRODUCTION

Kellogg's the company that makes proud of USA throughout the world in breakfast food. Before 1898 just a firm which made granolas failed in making them and came as Kellogg's after the found of Kellogg's Corn Flakes by W.K Kellogg's.

Figure 1 Kellogg's logo



Figure 2 Kellogg's Headquarters USA



The first Kellogg's company was opened in USA in 1906. After 1914 it firstly moved to Canada and then Australia, UK. Since 1915 Kellogg's started to introduce various kind of breakfast cereals for adults and children.

Kellogg's has the proud of serving the US armed forces in Second World War as well as the pride of sending food to moon for Neil Armstrong and 2 more also goes to Kellogg's. With all its success today it serves more than 180 countries around the world with 227 varieties under 25 brands.

Further in present around 40000 employees are working for Kellogg's around the world. Apart from USA and UK Kellogg's has many headquarters in all other Continents where they produce and distribute their products. Nestle, General Mills and The Kraft Heinz Co are the main competitors of Kellogg's.

Apart from business Kellogg's works on various kind of services towards community on providing free food for disaster victims, helping for charities and presently to be the giant company fighting against climate change.

Figure 4 1st Product of Kellogg's



Figure 3 Kellogg's Brands



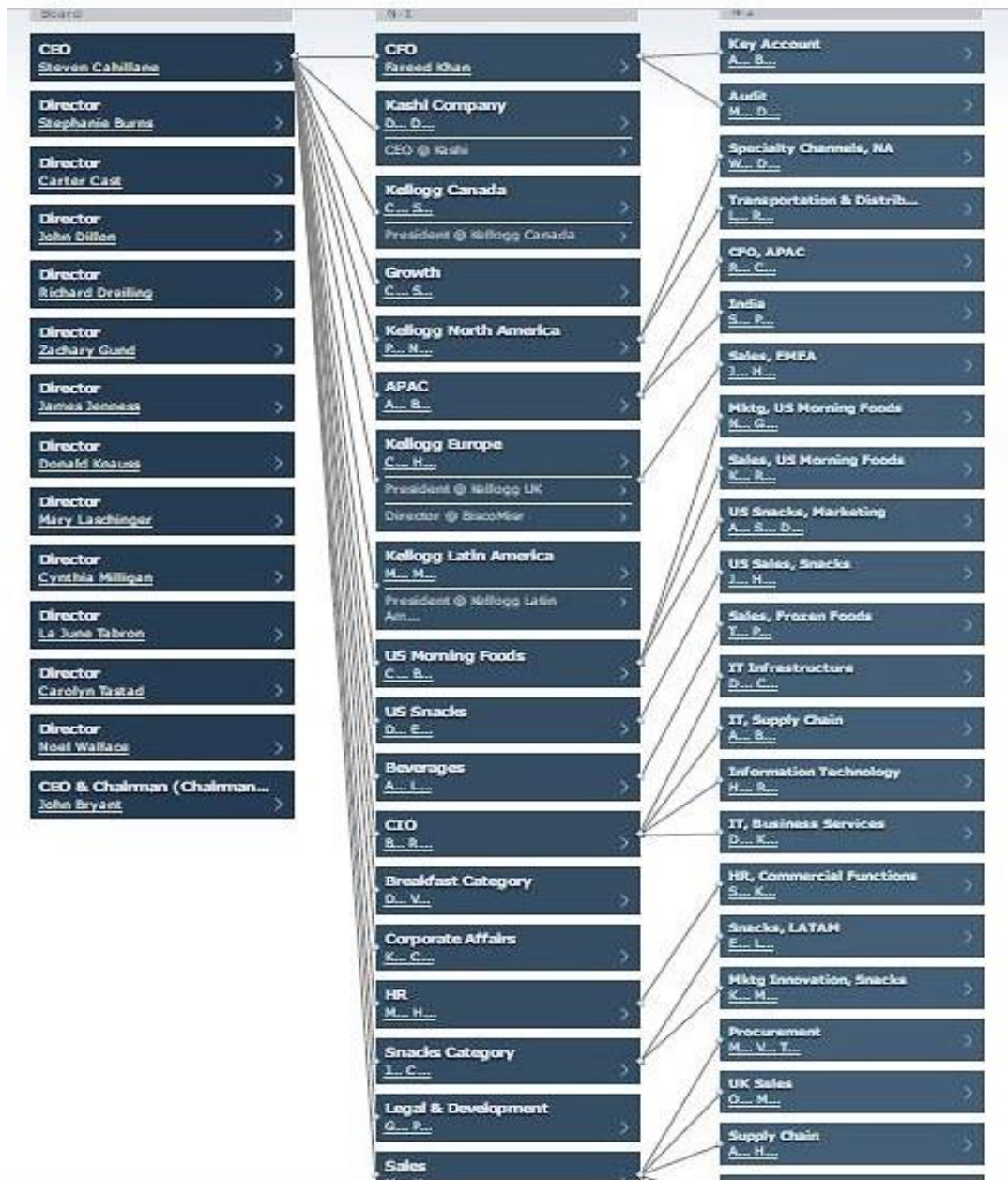
## **2.0 ORGANIZATIONAL STRUCTURE**

Organizational structure refers to the division of labour according to the position of each staff. In order the structure of an organization will provide patterns of coordination, communication, work flow and formal power which the organization directs, to divide it into departments under different levels that are responsible objectives or the aspects of the organization. (J. Mullins 1985)

Also an organizational structure reflects its culture too. As per every organization has its own structure which shows how it operates. These structures can be either formal or informal based on the organizations' needs. Basically an organizational structure chart flows from top level management to lower level management in any kind of business. This is known as hierarchical structure. (Steve Clarke 2007)

When it comes to Kellogg's the organizational structure not like others its divisions are combined with many continents as it is a multinational company. It can be said as International Division Structure because it operates and controls all the branches around the world from the headquarters. So further to explain Kellogg's organizational structure the chart as follow:

Figure 5 Kellogg's Org Structure



The diagram above is the organizational structure of Kellogg's which shows the hierarchical structure with three different level with plenty of divisions. So it can be said as a hierarchical structure with narrow span of control which connects with International, Geographical and Centralization elements. This chart itself shows how Kellogg's get done their business all around the world. In centralization it shows that all Kellogg's Continent headquarters heads are to be reported to the specific person in the head office of USA. Also Kellogg's have separated the small

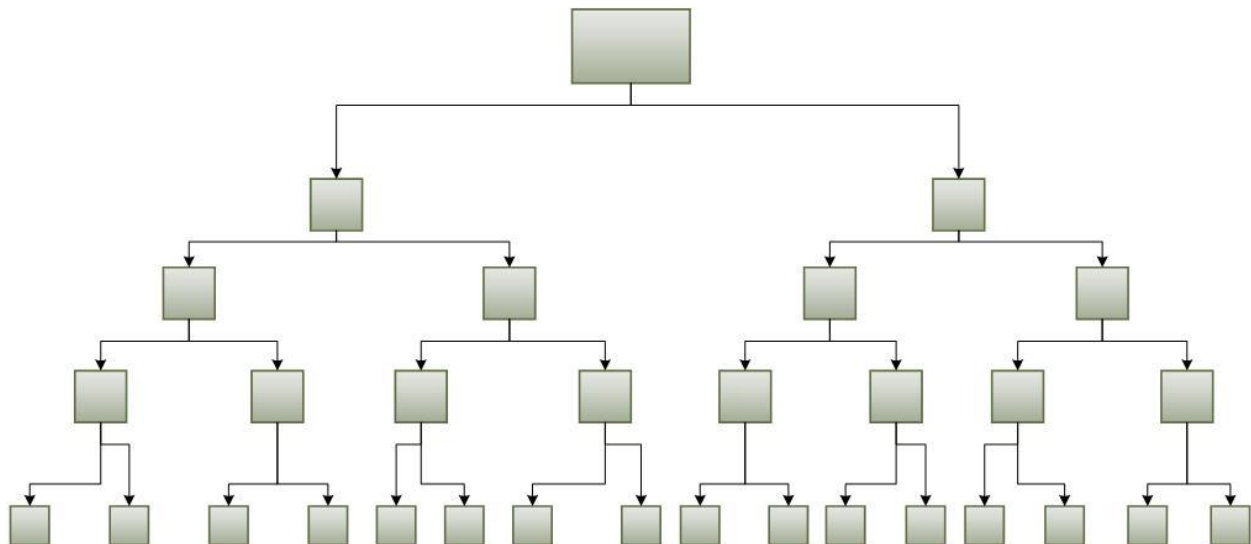
food items like snacks apart from breakfast meal as they are separate sections which make the organization run smoothly.

In an organizational structure there are key elements here followed by three main elements: span of control, centralization and chain of command.

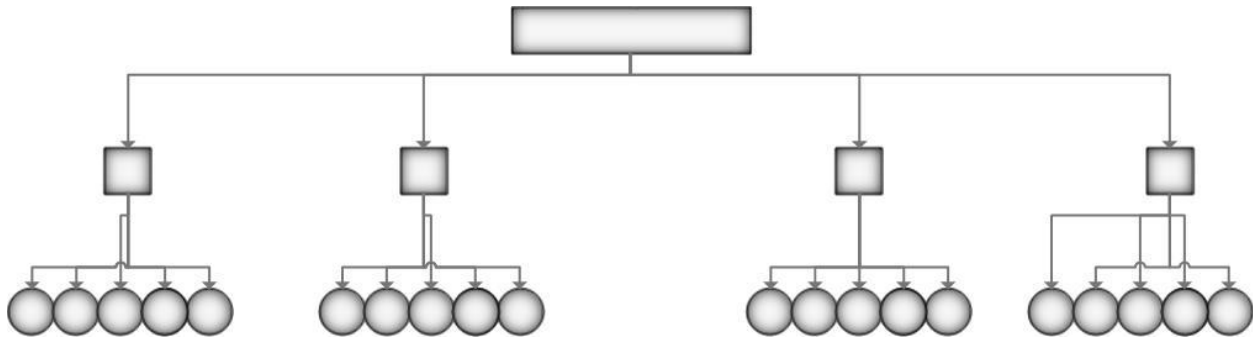
## 2.1 Span of Control

Span of control is the number of subordinates reporting directly to a manager. Choosing appropriate span of management is important because it can affect efficiency of the organization. If the span of control is wide it shows a flat structure where the higher management communication may be passed quickly and here the second level departments are responsible for all activities and report to the top level. If the span of control is narrow it shows a tall structure in which every staff member reports to the person above, as there will be many levels from top to bottom.

## Tall Structure



## Flat Structure



## **2.2 Centralization and Decentralization**

Centralization is the way where decision making is made at top level of the organization everyone has to follow it and no any power to the low level management to make any changes. Decentralization is the extent to which the decision making permissions are granted to the lower level management according to the flow of level to some extent. Most organizations start with centralized pattern, as the founder makes most of the decisions but the organization grow it becomes complex.

So Kellogg's follow a decentralized system in it for example the lower level management like Continent head or Country head can make decision as per according to their environment. So when Kellogg's start to grow more and more it may follow more decentralized system.

## **2.3 Chain of Command**

This shows the relationship in an organizational structure that who is responsible to whom. How the task will be given and by whom. So when each employee reports to the particular responsible other employee the communication process flows, this is simply known as chain of command. Further it is a traditional system still in active so meanwhile if we take the structure of Kellogg's it shows the top level is the CEO and silent Director Board so the CEO's directly reporting staff are in the second level. And their reporting staff are in the third level as it shows when the chain of command comes from top to low level as it come downward the power and decision making abilities also gets condensed.

### **3.0 ORGANIZATIONAL CULTURE**

Organizational culture is the basic pattern of the organization. Organizational culture is the environment which plays or drives the organization towards its objectives.

The organizational culture is made up of assumptions, beliefs, values and other factors which comes traditionally, apart from this every organization has its unique culture which consist with guidelines, boundaries which are practiced towards the organization's achievements. So this culture directly influence each and every employee of the organization to make them change in their behavior.

This how the organizational culture change and adapt towards the corporate culture which will added with rules, law, codes and ethics that show how it works towards the productivity in order to make profit.

In simple words: 'the way the things are done around here' (Deals and Kennedy, 1982)

When it comes to Kellogg's since from the beginning of W.K Kellogg's founding until the present they follow on his way. Even today they say as K-Values where the company provides various opportunities towards the employees. Everyone in the organization are balanced minded where one side company goes towards profit at the same time tries the best to serve the customer for the value they pay. This shows Kellogg's has both modern and traditional culture inside its organization.

When it comes to management the culture can be divided because different management follow different culture in their organizations some are strict and some are friendly it differs. If we see the strength, a strong management can always make their employees satisfied with the work plus make them well adapt to the culture of the organization. According to (Cameron, K., & Quin, R., 1999)

#### **The Clan Culture**

This culture shows the friendly manner of management in an organization. Where all employees may work as a family. In this culture task orientations are less and no individual development can be seen. Here it may reflect a messed up culture of every staff.

### **The Hierarchy Culture**

This culture shows a developed structure in the work place. Each and every activity take place according. It can be said as controllable culture too as it flows on stages. This culture is identified as best culture to follow that process of organization will moves towards good productivity.

### **The Adhocracy Culture**

This culture totally business minded can be said as entrepreneurship. It shows more flexibility and empowerment. Employees who work in this type of culture are more ready to take risks than other for finishing up their targets. But mostly adhocracy culture is avoided by corporate organizations as simple mistake may result for vast failure.

### **Market Culture**

This culture is completely based on competitiveness inside the work environment. The workers here are work under heavy pressure as they have to finish the task at given period result may be reward or punishment. In case if some of the employees succeed it brings them reward as well the organization develops. On the other hand if someone fails they have to face consequences and the business may fall in its productivity.

From these four common cultures, if we see Kellogg's organization it consist with hierarchical culture in it. Which is the most suitable culture for corporates as Kellogg's does by dividing the task and the activities according to its level of units and implements them so as per it every employee can carry on their work.

*Figure 6 Culture*



## **4.0 PRESENT KELLOGG'S COMPANY**

Now in present the Kellogg's company runs its business with around 40000 employees worldwide. There are different levels and departments in the company firstly in 1<sup>st</sup> level only CEO is active other whole Director board members are sleeping partners.

The management level in the headquarters are the persons who control all the manufacturing and other plants around the world. The main activities like resource allocation, production and maintenance are done by operational level management. This include HR department that is responsible of all employees and recruitment.

The products of Kellogg's are been taken to the target group by the marketing management group which they are responsible for the transportation, advertisement, and finding of new target areas. When it comes to employee recruitment everyone may think that a job in Kellogg's will only be producing cereals but it's not the true it has its own IT unit, Finance unit, Research and Development unit, Sale and category management unit and Global Business Service unit. Also Kellogg's give various type of training to it employees on leadership, volunteer caring, work for victims from disasters apart from its organizational training so these factors automatically motivate the employees at the same time they get vast experience.

Apart from Kellogg's business activities it works vastly on hunger eradication around the world mainly America their main target are the children in making them getting the nutrition value fully. The Kellogg foundation (the charity organization) of Kellogg's helps with \$5.5 billion for succeed of children and Kellogg's is the main partner of Feeding America which is leading organization in America for hunger relief.

When it comes to consumers the products of Kellogg's suits for all ages above three. The variety of product mostly eye catch by the kids and snacks items by youths. Kellogg's separates its consumers into two as internal and external. Internal consumers means the employees of Kellogg's are been considered as customers of them where it confirms there nutrition of giving products for

low price. The external are the consumer who buy product from out. So this it proves how Kellogg's is balanced in its profit based business at the same time social oriented.

Figure 7 Kellogg's Company Locations



## **5.0 CONCLUSION**

From the unit 'Introducing the Modern Workplace' and by writing this report I have got a vast knowledge about organizational structure and culture. Further it gave me the experience of how an organization plays its daily role with the employees and how the structure of the organization influence on the tasks to be completed. Also I understand how the culture impacts on the business activities and it differs from each organization.

The assessment was based on Kellogg's company so this report gave me many findings and understandings about corporate business. Also I was able to compare multinational companies with national companies and how multinational companies do their business all around the world. Also it helped me to know how these kind of businesses exist crossing many boundaries and the worth of stability.

I completely sure that this unit and report helped me to develop myself towards my future business career.

## **6.0 REFERENCE**

- B.P.Sinha, J., 2008. *Culture and Organizational Behaviour*. Second ed. New Delhi: Sage.
- Chandler, J., 1987. *Practical Business Planning*. Berkshire: McGraw-Hill.
- D.Lewis, R., 1996. *When Cultures Collide*. Hardback: Nicholas Brealey.
- H.Tayeb, M., 1996. *The Management of a Multicultural Workforce*. West Sussex: John Wiley & Sons Ltd.
- J.Mullins, 1985. *Management & Organizational Behaviour*. Ninth ed. Great Britain: Pitman.
- Kellogg's, 2015. *kelloggs.com*. [Online]  
Available at: [http://www.kelloggcompany.com/en\\_US/home.html](http://www.kelloggcompany.com/en_US/home.html)  
[Accessed 2015].
- Luthans, F., 1973. *Organizational Behaviour*. twelfth ed. New York: McGraw - Hill/Irwin.
- Morningstar Financial, 2017. *Morningstar.com*. [Online]  
Available at: <http://financials.morningstar.com/competitors/industry-peer.action?t=K>
- Peel, M., 1993. *Introduction to Management*. First ed. London: Pitman.
- Pettinger, R., 2010. *Organizational Behaviour - performance management in practice*. First ed. Oxon: Routledge.
- Rees, W. D., 1991. *The Skills of Management*. Third ed. London: Routledge.
- The Official Board, n.d. *The Official Board.com*. [Online]  
Available at: <https://www.theofficialboard.com/org-chart/kellogg>
- Times Los Angeles, 2017. *LA Times*. [Online]  
Available at: <http://beta.latimes.com/business/la-fi-kellogg-emissions-climate-change>
- Whittington, R., 2006. *Organizational Structure*. s.l.:Oxford University Press.

**7.0 APPENDICES**

Figure 1 Kellogg’s logo (Kellogg’s website) ..... 2

Figure 2 Kellogg's Headquarters USA (Kellogg’s website) ..... 2

Figure 3 Kellogg's Brands (Kellogg’s website) ..... 2

Figure 4 1st Product of Kellogg's (Kellogg’s website) ..... 2

Figure 5 Kellogg's Org Structure (Official Board) ..... 4

Figure 6 Culture (Performance magazine) ..... 8

Figure 7 Kellogg's Company Locations (Kellogg’s website)..... 10