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Contemporary Management Approaches

Lush Cosmetics



(StoreForce, 2021)

Introduction

In this essay we will look at a well known organisation called 'Lush Cosmetics' the organisation sells a number of different products from, bath bombs, shampoo, body lotion, body scrubs, moisturisers and many more. The essay will explain what the organisation is about and the story behind the business. It will include how the organisational environment is organised and the importance of understanding organisational behaviour. Also the approaches to organisation and management, looking at the role of the manager and the approaches to management the company employs. The essay will also include different theories and does it apply to the organisation chosen, also how does the company treat their staff and what do they do that helps the environment and how they are such a popular successful business.



(The Peahen, 2016)

About the organisation

What customers love about Lush cosmetics is that the company only sells handmade products and are very passionate about helping our planet. The company fight against animal testing, 100% vegan friendly and in 2007 they wanted to spread awareness about excess packaging. The 'Get Naked Campaign' was to educate their customers and hopefully spread a very important message across to other businesses' on how important it is to help the planet by saying no to plastic and packaging (Lush, 2021).

In just one year, a single person uses up to 200 pounds of plastic, 60 pounds of which are immediately thrown away. The overuse of packaging is a huge problem: it takes a lot of energy, water and natural resources to produce packaging, and when we simply throw it away, it pollutes our environment, puts wildlife at risk and piles up in landfills where it can take centuries to decompose (Lush, 2021).

They strive on helping and being a better organisation that can do their bit to help, and their nude stunt definitely sent a message world wide. They hope to inspire everyone and by researching their story they have made massive effort and a lot of hard work (Lush, 2021).

Lush makeup is all refillable with vegan makeup brushes, their lipsticks are made from a creamy vegan formula (Lush 2021).

Lush cosmetics do everything in their power to help climate change, they will only use certain ingredients in their products that will help ecosystems and protect biodiversity. Many companies tend to use cheap materials or harsh chemicals that will destroy land, forests and wildlife. Lush cosmetics use oils such as Patchouli from Gayo Lues Permaculture Centre in Sumatra, Indonesia. It is the first to be guaranteed 100% linked to zero deforestation (Lush, 2021).

There is plenty more information on how Lush Cosmetics helps the environment and is clear to see why the business keeps growing. Any packaging you receive is all recyclable or you can even return them into store so they can recycle for you (Lush, 2021).

Where it all began!

Lush cosmetics was founded by Mark & Mo Constantine, in the 1980s they started their business from their kitchen, mixing herbal products with help from business friends, they became successful. Their first shop opened in Brighton called Cosmetics To Go. In 1995 they then went on to open a cosmetic shop

in Poole which sold products which were made of vegetables and fruit, the company's name was actually chosen from a competition where customers had to come up with a name for the store. Being successful Lush opened stores in areas such as Covent Garden, London, Dublin, Brazil and Australia. Lush is privately owned with only a few shares (Lush 2021).



(The Jakarta Post, 2019)



(Our Daily, 2020)

“We believe in buying ingredients only from companies that do not commission tests on animals and in testing our products on humans” (Lush, 2021).

“We believe that all people should enjoy freedom of movement across the world” (Lush, 2021).

Approaches to Organisational Management

There are three main management theories which are, classical management theory, modern management theory and behavioral management theory. Theories began in the industrial revolution as business started to grow and expand in size business owners needed help to manage the business and help to run daily tasks and operations they would need management staff. As industries started to grow the practice of management became theoretical consideration in the study of business (Hashaw, 2019). Each Theory comes with their own sub headings which will be explained in more detail.

Frederick Winslow Taylor developed the Classical management theory in the 1880s in the manufacturing industries (Lumen, 2021).

Behavioral Management theorists include Mary Parker, Abraham Maslow and Elton Mayo. Sometimes Behavioral Management is referred to as the human relations movement (Lumen, 2021).

Fayol developed the Modern management theory although it is said to be similar to Fredrick Winslow Taylor who developed Scientific Management.

General Management Theories



(Technofunc, 2020)

Classical Management Theory

“Classical management theory is based on the belief that workers only have physical and economic needs and prescribed specialization labor” (Technofunc, 2020). Classical management is often seen as ignorance towards human desires and needs in the workplace.

There are 3 primary theories that come under Classical management theory which are:

Scientific Management Theory - This theory is to focus on minimizing waste and reducing production times (Hashaw, 2019).

Administrative Management - This is to consider all of the activities a business must conduct. It provides detailed guidelines for managers (Hashaw, 2019).

Bureaucracy Theory - It is to promote reasons to guide management decisions. It emphasizes formal authority systems (Hashaw, 2019).

Under classical management theory, workplaces are divided under three distinct layers of management. At the very top are the owners, board of directors and executives that set the long-range objectives for a firm. Middle management takes on the responsibility of overseeing supervisors while setting goals at the department level to fit within the confines of the managers' budget. At the lowest level of the chain are supervisors, who manage day-to-day activities, address employee problems and provide training (Villanova, 2019).

The theory involves large tasks broken down that are then easy to accomplish, this means workers will understand their roles. Staff will specialize in a certain area which helps increase efficiency and productivity. Also to be able to have a single

leader to be able to make decisions and then the employees will follow. This approach is beneficial and a quicker way to decision making rather than a group of people (Villanova, 2019).

Behavioral Management

Behavioral management focuses on worker behavior and motivations. Specifically, behavioral management theory is concerned with how to manage productivity by understanding worker motivation, including expectations, needs and interests, and group dynamics. Behavioral management theory is sometimes referred to as the human relations movement due to its focus on the human dimension of work (Lumen, 2021).

Human Relations Theory - This theory is to recognise that money alone is not enough just to satisfy employees it is how they get treated and about fairness between all staff members (Hashaw, 2019).

It is important that management teams have an understanding on how to treat employers and that they are an important asset to be able to achieve goals they should feel like a huge part of the group. Also working conditions is another important one for this theory (Study.com, 2013).

Modern management theory

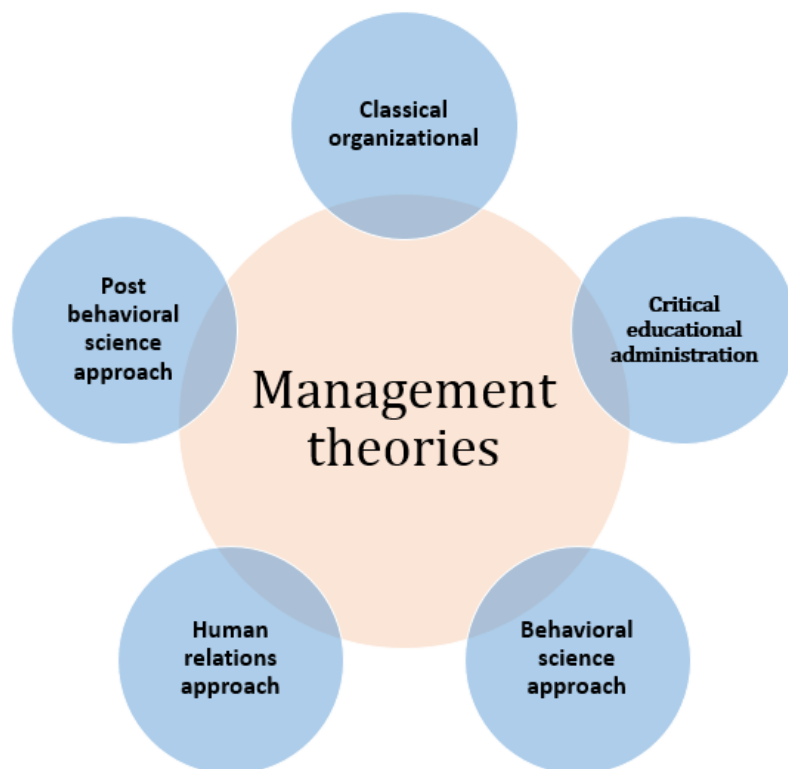
The modern approaches to management look at organizational management in the current context. They take a holistic approach and look at organizations as a collection of interrelated parts influenced by both internal dynamics and also the larger external environment. These modern management theories have played a significant role in the evolution of management studies (technofunc, 2020).

This theory focuses on the development of each factor of workers and organization. Modern management theory has three streams which are Quantitative approach, system approach and contingency approach.

In agile management, decision makers need effective means for accessing these techniques, without necessarily being experts in mathematical programming, simulation and other methodologies. Managerial needs for agile management and manufacturing in complex process industries such as refineries for making sound and optimal production planning decisions constitute the main motivation for this work (Draman, 2001).

Modern theory is considered as an open system, as it means an organisation consistently interacts with its environment, as to sustain and grow in the market. This theory is very different from classic as that is considered as a closed system.

Organisations are determined by the changes in the environment and are said to be adaptive in nature (Business Jargons, 2021).



(Skywings Academy of Aviation & Logistics , 2020)

Work motivation and satisfaction

According to Lush Cosmetics working at the organisation is an adventure, they are very passionate about their products and customers. Whether you are a shop assistant or a manager or a financial analyst, the culture of the company flows through every area of the business. The company strives to help people, animals and our planet and their products show that their statement is true (Lush, 2021). Lush Cosmetics also treat staff all the same and support all women who work with them, there is no discrimination or different wages between men and women. All staff members have plenty of training in all products and each staff will learn about each new product once they arrive ready to sell and also able to take products home to test to be able to experience the products themselves.

We want all women to know that at Lush we do not hold you back. Wage is decided by the role you do not by who wears the trousers, we do not have 'male' and 'female' roles and there is no glass ceiling holding women back from the very highest roles in Lush (Lush,2021).

Lush Cosmetics pay their staff a competitive wage with a rewarding outstanding result with a strong bonus structure. They also provide employees with a comprehensive health benefits package which promotes a healthy and sustainable lifestyle. The package includes subsidized transit passes and gym membership passes (Lush, 2021).

With Lush there is a potential for internal promotion and the chance to develop your skills in project teams and roles. They are an organisation that does not just think of their employees but they go above and beyond for others and use their voices to stand up for causes that means the most to them. They donated millions to hundreds of organizations at home or abroad as they speak out against animal testing while supporting development of alternatives and are helping to fund sustainable permaculture projects across the world (Lush, 2021). Although Lush Cosmetics help charities such as local beach clean up all the staff members who help will get paid by Lush and they also offer international employee volunteer trips each year (Lush, 2021).

“All staff should be treated equally and with respect at all times” (Lush, 2021).

Business Strategy/Marketing

Lush Cosmetics believe in creating products that they want to use themselves and to only use organic ingredients to maintain freshness in their products. They also state that they involve the customers in everything including all operations and also decision making including their employees (UKEssays, 2018).

At the beginning of Lush Cosmetics they focused on the younger age which they then realized they needed to expand and be creative and take all ages into consideration. Lush does not have a marketing department and communicates through their products and people instead of paid media such as TV, although they do use the internet.

At Lush they firmly believe that if they contribute in making people's lives better than they at least they deserve rewards, including financial. This is consistent with honesty – one of the most important values in Lush. Lush maintains a balance between the prices for their customers and profit margin for the organization (UKEssays, 2018).

The Pareto or 80/20 principle

This was first penned by economist and sociologist Vilfredo Pareto when observing population/wealth distribution. He then discovered 80% of land in Italy was owned by 20% of the population, he proposed that this skewed distribution of wealth and power could be seen in all countries (Lush, 2021).

“This hypothesis has been applied to areas other than economics, where the 80/20 principle seeks to highlight how the smaller portion of input/causes results in the larger portion of output/results” (Lush, 2021).

According to Lush Cosmetics Richard Koch relates this theory to the modern day world and explains how this can be useful to apply at work and also personal lives. Lush states that just using 20% of your time will give you major achievements in your career and life.

Youtube link - 80/20 principle explained

<https://www.youtube.com/watch?v=6D-JGeoOEPY>

“When we are overloaded with too much to do and it seems everything is a number one priority, taking a step back to identify our most impactful actions can be just the perspective needed to move forward” (Lush,2021).

Lush used the modern day approach and the human relations approach. Their way of thinking and outlook on life is extremely important to them as an organisation and it shows. This is important to customers, employees and employers. They are an ethical company and they do not damage people or the planet with their trade practices. They involve staff and customers in everything and take climate change into consideration. They look positively into their organisation and their people and strive to help others and go above and beyond for their products.

Lin- Lush policies

<https://uk.lush.com/tag/our-policies>

Conclusion

After doing plenty of research into Lush Cosmetics it is clear to see that the organisation is a powerful business that keeps on growing and is extremely popular world wide. They care about people, planet and staff members which is extremely important in today's life.

After learning about the management theories, Lush uses the modern day approach and also human relations, they have goals and on their websites they explain how they help staff, management teams and also how they help our planet and take the environment seriously. They explain how they help staff manage their time, goals and how the SWOT analysis is important in their stores. They have many policies in place which many businesses don't and this makes them stand out especially with the amount of charity work that they do. It's a business that keeps on giving and still has plenty of exciting plans ahead of them.

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