

Introducing the Modern Workplace – A1

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Describing the structure and culture and analyzing the factors influencing the performance of Eddie Stobart Logistics

Introduction

The organization is a place of most social rational grouping but it's argued that the organization reacts as a whole. This semester I was involved with Eddie Stobart logistics. This essay will cover how Eddie Stobart logistics continuing efficient distribution services. Culture is one factor for the efficient workplace and creating a productive nature among employees (Stoner and James, 2019). Besides, the logistics design makes efficient customer services so that several factors influencing them to hit the performance with satisfactory. Eddie is a highly centralized end to end logistics service provider hence top management takes all decisions and strategy for the company (Stanford, 2010). The end to end distribution provider named Eddie Stobart has long visionary plan to be recognized as professionalism and recognition for innovation services excellences.

Describing the structure and culture of Eddie Stobart Logistics

The basic elements of the structure of the organization outlined by Max Weber. As defined by the Gomez, et al (2018) that structure have complex components to deal with the greater need for communication. Upper-level managers have a high responsibility to form a strategic decision. Each department is responsible for making a cost-effective solution for the company. Decision making by team participation at Eddie Stobart logistics tickles down because of less centralization of the team. It's having a centralized structure leading to logistics services to the end of the customer.

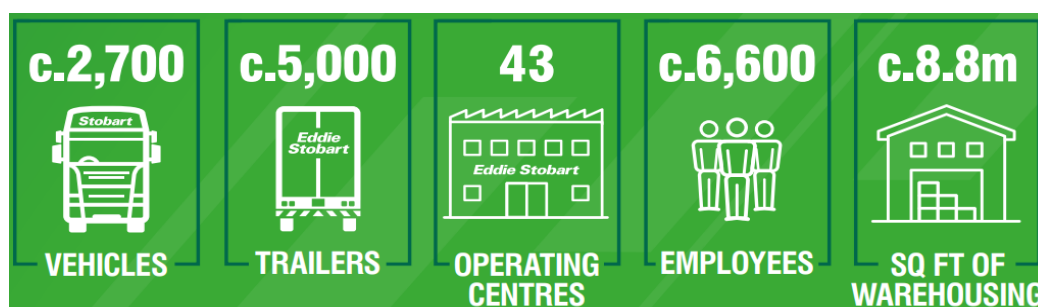


Figure 1: Current resources of Eddie Stobart Logistics
Source: (Eddie Stobart Logistics, 2020)

Eddie Stobart has wide specialization offerings in the sector of transportation and warehousing. The culture they developed created a valued partnership to diverse the customer and partnership base. The organization continuing the operation model incorporating the **flat structure**. The

levels of management and supervision give an efficient end to end platform for Eddie Stobart. The main reason for the flat structure is it's cost-efficient. As mentioned cost-efficient, for example, Eddie can win the signed contract for logistics and warehouse operations, because of the quick decision-making process. This is another advantage of the flat structure. Not only that, following the flat structure in the whole organization, Eddie Stobart includes new structural for strategic and less operational approach in 2017. However, adding more operation for E-commerce, Retail, and Bulk Tanker and manufacturing, Revenues rise by **1.98% goes to £496.5m** in 2017 (Eddie Stobart Logistics, 2020). Former CEO, Mike Branigan stated that staying focused on cost reduction significantly reduces the overhead manpower cost and benefit Eddie Stobart getting for future days. Following the flat structure, it makes clear communication with all sectors of transportation, for example, each sector of transportation supported by Rail operations, port and Lorrie's operation and finally transported to the warehouses.

Following the flat organizational structure has some limitations that Eddie facing like work and employee relationship difficult to manage. Contracting with a personal level, it hampers the balancing work and life. Manager struggle with adding more motivational techniques since it may create a culture of the unhealthy environment in the workplace. Engaging with lots of employees, the mid-level manager faces the role of confusion since the person interacting with many pieces of work and other jobs too.

Culture of Eddie Stobart

Culture of an organization refers to the collective form of values and customs by whom people interacts in a certain way with others. A framework developed by Geert Hofstede, six dimensions of culture can distinguish the culture from a different perspective (Kaplinsky, 2010).

Power distance dimension reveals that people having positional power affecting the organization more than female employees. Because of the hierarchical distribution of power, Eddie has a flat structure where the lower chain of command and the little gap in the structure system. Eddie is a highly centralized end to end logistics service provider hence high power distances exists in the workplace. Individualism versus collectivism refers to the employee's attitude toward strength, connection, freedom and privacy in work (Kenichi, 2019). For example, Eddie prefers employee will work in a team since the company deals with a complex

logistics system. Hence, Eddie influences the employee to learn collectively on building skills and becoming a master for the future. Eddie offers them employee feedback session, staff engagement session and lots of intrinsic and extrinsic rewards for success (Stanford, 2010). Another cultural dimension, masculine versus feminine refers to the role and position of man and women in the top and middle position. Women in the top position at Eddie has differentiated roles. Female team members working with male but not risky material handling job. High differences between male and female exist in the workplace.

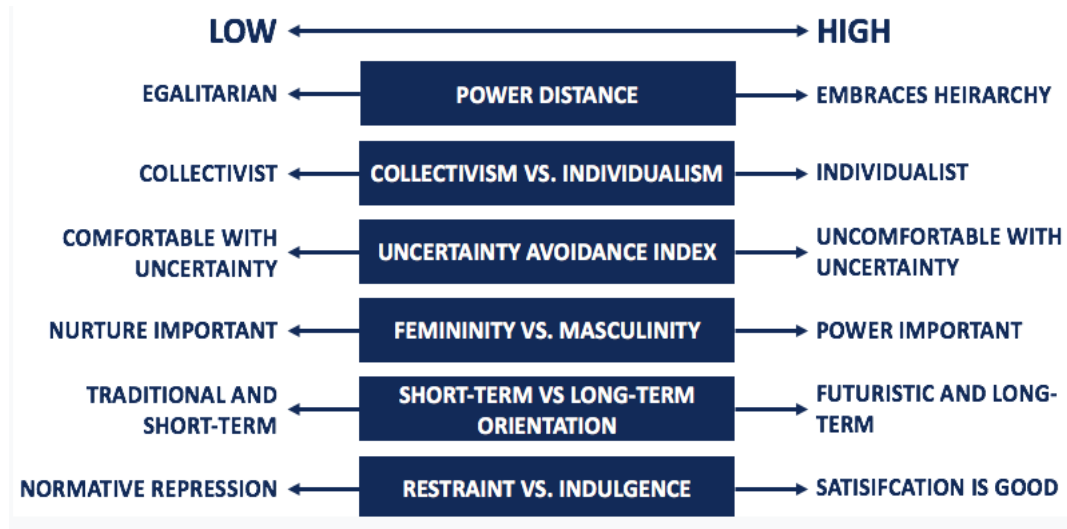


Figure 2: Hofstede sixth dimension of culture

Source: (Ivancevich and Konopaske, 2013)

Women are mostly operating in the administration division of the workplace. Uncertainty avoidance index rate is satisfactory. Because Eddie Stobart always encourages innovation and technology to avoid the risk and uncertainty. So, employees are encouraged to open session learning. Long versus short term orientation refers company reacts with the strategy. Always Eddie focuses on long term vision since their vision is to get recognition of professionalism through innovative customer solution (Virtanen, 2016). Culture of these organisations nurtures the virtues and obligation in the work. Indulge versus resistance refers to the tendency of Eddie Stobart to fulfil the employee desires. It can be said that how the company controls the employee emotions and their impulses.

Four classes of culture developed by Charles Handy refers; Power, Role, Task and Person. Power culture of Eddie Stobart held by only a few people. Strong leadership by William Stobart and his excellent executive management is the prompting reason for keeping the employee productive in work. Role culture defines which structure Eddie based on roles and employees are controlled. The flat structure followed by Eddie influences the mid-level and

lower-level employees to follow the instructions. Task culture defines how employee solves the problem. To describe the training and learning culture of Eddie Stobart, Eddie has strong management influences in every supply chain operations of each function.

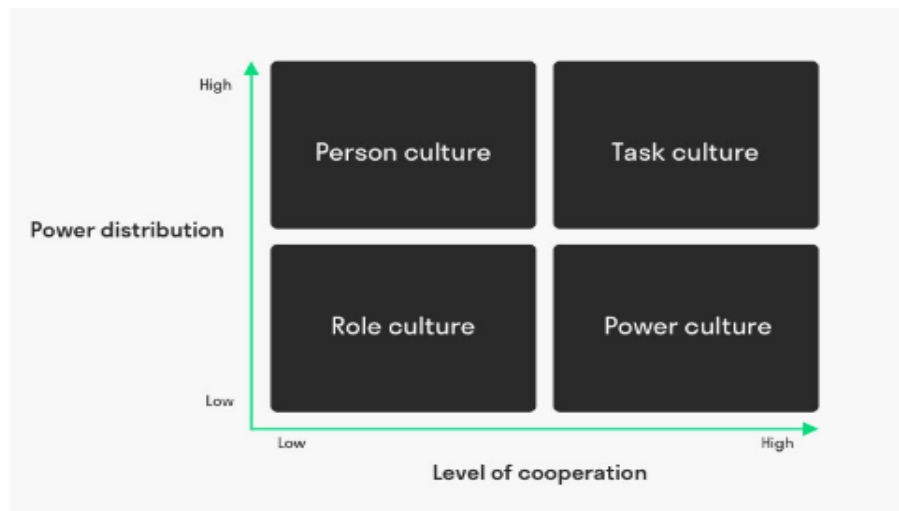


Figure 3: Four classes of culture
Source: (McVey, 2011)

For example, their train up culture developed to improve logistics knowledge. However, their training culture included fully accredited and expert trainers are ensuring quality training for long years. Most importantly, learning culture improves with its modern logistics operations. Apprentices and lower and mid-level employees can practically apply the new learnt method in Eddie Stobart because of having a wide scope of practical application area (Stanford, 2010). To ensure a sustainable structure and culture for Eddie Stobart, it has Graduate Programme to seek the future logistics leaders. Through forward-thinking and well-formed in the workplace, Graduates can easily gain knowledge from all aspects of logistics operations.

Business strategy of Eddie Stobart suitably influences the cultures. Eddie Stobart set strategy to leverage the relationship with the customer. Structure and culture interact with strategy implementation hence Eddie will do more consumer agreement and growing that connection (Ivancevich and Konopaske, 2013). However, this strategy will focus on to be customer-centric such as e-commerce delivery for asset utilization.

Factors influencing the performance

Eddie maintains a strong **supply chain charter** since Eddie believes that responsible manner of the delivery system improves the value system. Strong supply chain charter is the factor for procuring goods and services in most trustable and reliable ways. This effects on the employee and supplier performance. Moreover, this impacts on improving the resilience and quality lost

reducing. Keeping health and safety standard is another factor influencing employee to concentrate heavily on improvements. For example, audit compliance, health and safety standard provides safe workplaces to nurture the natural scale of business operations. Medical checkup unit weekly inspects the health concerning matter like reckless driving, alcohol and narcotics consumption etc. the modern slavery system is the influential factor leading employee toward satisfactory performance. For example, Eddie Stobart is committed to preventing human trafficking by practising the modern slavery system. Workplace of Eddie Stobart is safe for worker and free from harm and harassment. Female employees can work without fear and intimidation (Kaplinsky, 2010). This leads the employee to be committed to working and meeting the key target for efficiency.

Excellent executive management is the influencing reason for keeping the employee productive in work. For example, in 2019, Eddie Stobart recruited experienced CFO (Chief financial officer) who developed the capability of the team working in all sector. Recruiting sector-based specialized strengthen their e-commerce skills and further operational improvements. **iForce** is one of the initiatives among other group services. iForce is e-fulfilment specialist developed by experienced sector-based expert recruiting hence, bespoke technology efficiently managing the pick and pack up including return management. Eddie Stobart has wide knowledge contributions in the sector of transportation and warehousing. The culture they developed created a valued partnership to, unlike the customer and corporation base. The levels of management and administration give an efficient end to end platform for Eddie Stobart. The main reason for the sector-based specialization is it's cost-efficient.

Incorporating bespoke technology is another factor for performing efficiently. Eddie Stobart has a group of bespoke technology services. For example, The Pallet Network, iForce, Speedy Freight etc. all these solutions provide cost-effective performance reduces the employee stress and managing more warehouse simultaneously.



Figure 4: Technological factors influencing employee performance
Source: (Kenichi, 2019)

Incorporating strategy suitably could be the progressive reason for snowballing employee performances. In 2020, Eddie Stobart set strategy to leverage the relationship with the

customer. For this strategy, Eddie will do more customer contract and growing that relationship. However, this strategy will focus on to be customer-centric such as e-commerce delivery for asset utilization.



Figure 5: Strategy influencing the performance
Source: (Virtanen, 2016)

To improve employee performance, Executive management focuses on key performances. For instance, (1) initiative for online training module for existing and new employees created for better customer experiences. (2) Through **staff engagement session**, the manager can easily enforce the driver, warehouse staff to concentrate on five core values affecting the culture with team working and collaboration, this impacts on employee productivity. (3) Extensive training for mid-level employees through an online learning management system (LMS). All these three performance initiatives result in growing retail revenue by 43% to £140.03m (Eddie Stobart Logistics, 2020). So, successfully capitalizing on culture and structure, Eddie Stobart getting the recognition of professionalism.

Conclusion

In sum, Culture is one factor for the efficient workplace and creating a productive nature among employees. Besides, the logistics strategy makes efficient customer services so that several dynamics influencing them to hit the performance with acceptable. Eddie preserves a strong supply chain agreement since Eddie relies on that responsible manner of delivery system progress the value system (Stanford, 2010). Strong supply chain deed is the factor for securing goods and services in most trustable and reliable ways. The workstation of Eddie Stobart is nontoxic for worker and free from maltreatment and harassment. Female employees can work without anxiety and bullying. This leads the employee to be dedicated to working and gathering the key target for effectiveness.

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