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BA (Hons) Leadership and Management Skills for the Workplace

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Workplace Culture and its Impact on Organizational Efficiency,

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1. Introduction

This study's main objective is to evaluate how the selected organization created and implemented its strategy. EasyJet Plc will be the subject of this report. The history of the business, how organizational culture and structure interact, and how these factors affect attaining both financial and non-financial performance. Utilize relevant environmental and organizational analytical techniques and tools (PESTEL and Porter's Five Forces Model) to assess the wider environment that affects EasyJet Plc.

EasyJet Background

According to my investigation and finding, EasyJet is an affordable low-cost airline that primarily serves the European aviation markets. The easyJet Public Limited airline (PLC) was founded in 1995 by (Cypriot billionaire Stelios Haji-Ioannou). Since then, the airline has expanded from offering service between London Luton and Glasgow and London Luton and Edinburgh to its current state.

1.1 Organizational culture and structure

All of the organization's strategies are concentrated on increasing profits and satisfying consumers, and its culture and structure are well-designed and functional. This company's departments are set up according to their individual functions. This suggests that while the Department of Maintenance specialists do not collaborate, all IT specialists do. Each department performs to the needed standard since only people with comparable functional qualities are placed together. The corporation has also been able to fully leverage the powers of the ICT department by organizing divisions according to their functions, enabling it to execute all of its office tasks online or via ICT formalities. The company has enhanced performance and increased.

2. Financial and non-financial performance.

Important performance indicators Pages 22 to 23 of the Group's Annual Report and Accounts for the year ended 30 September 2022 outline the variety of financial and non-financial key performance indicators that the Group utilizes. Since the Company is the principal subsidiary that contributes to the results of the Group, the key performance indicators for the Company are those that are tracked at the Group level rather than on an entity-by-entity basis.

In the 2022 fiscal year (compared to 2021's fiscal year of 20.4 million), the Company transported 69.7 million people on 988 routes throughout thirty-four countries (compared to 2021's total of 34).

Trading was impacted by the development of the Omicron version of Covid-19 for the fiscal year that concluded on (September 30, 2022). Despite strong trading for the company in October and the first part of November, travel restrictions were once again put in place across Europe starting in mid-November. These restrictions remained in place until beginning to be relaxed in February–April 2022, with the timing and degree of relaxation varying by country. The Russian invasion of Ukraine also occurred in the first half of the year, in February 2022.

Although we do not fly to or over Ukraine, this had no direct effect on the Company's network. However, the event did have an indirect impact due to the rise in oil prices since the invasion, which increased the cost of jet fuel. As the Omicron-related travel restrictions in Europe loosened and consumer confidence in travelling again, trading in the third quarter began to rebound. An unprecedented increase in flight volume combined with a competitive labour market created widespread operational difficulties that culminated in high cancellation rates in the third quarter and higher disruption costs.

Throughout the year, the Company incurred a number of costs that were either one-time or did not fairly reflect the company's trading success. These include a £9 million gain from the sale and leaseback of 10 aircraft during the period (2020: gain of £73 million from 33 aircraft and 2 engines), a £10 million loss from the sale of landing rights that were forfeited as a result of the reduction in our operations at Berlin, and a £1 million net fair value adjustment credit for the discontinuation of a hedge (2020: charge of £18 million). Restructuring expenses of £0,000,000 (\$0,000,000) more than offset the £10,000,000 contingency resulting from the announcement of the reduction in our operations at the Berlin location.

An effective tax rate of 10% (2021: 15%) was indicated by the Company's net tax credit for the entire year, which was £29 million (2021: £152 million). Limited by the easyJet Airline Company 2 Director Reports for the year ended September 30, 2022 (Continued) Strategic Report At the end of September 2022, the Company had net cash of £1,602 million (30 September 2021: net cash of £1,539 million). This cash was made up of £3,582 million in cash and money market deposits, £841 million in debt, and £1,139 million in lease liabilities. Significant performance indicators Various financial and non-financial key performance indicators are used by the Group; these are described on (pages 22 to 23),

composed of the Group and the Company's Directors, the primary risks and uncertainties The principal risks and uncertainties to which the Group is subject are listed on pages 59 to 69 of the Group's Annual Report and Accounts for the year ended 30 September 2022. The Company asserts that rather than being addressed independently, the key risks and uncertainties are addressed together with the key risks and uncertainties of the Group. Rewards and outcomes \$258 million (2021: £886 million loss) of the Company's loss after tax for the fiscal year was shifted to reserves. Compared to net assets of £28 million at the end of 2021, net liabilities at the end of 2022 were £208 million.

2.2 easyJet Ethical approaches

security first. Perform your duties with the utmost consideration for the safety of both customers and coworkers and report any behaviour that could jeopardize safety or break any applicable laws, rules, or policies.

Safety. Integrity. Deal with our employees, customers, partners, and the communities in which we operate honestly and with integrity.

competing interests. Never seek to or use your position at the company to acquire any unwarranted personal profit for you, your family, or anyone else.

adherence to the law. obey and conduct yourself in accordance with the relevant laws and rules.

the avoidance of bribery in business

The UK Bribery Act is followed by easyJet, which has zero tolerance for staff bribery.

Never give anyone a bribe, either in cash or in kind, in any nation.

Never ask for or accept a bribe from anyone, in any nation.

never offer anything to a public figure in any nation in an effort to sway them in their position. fair competition to stop anti-competitive behaviour and trade-restraining activities, rigorous regulations are in place. Breach of this policy is regarded seriously and may result in dismissal, penalties, and/or incarceration.

3. PESTEL Examination Framework: Detailed Explanation and Examples.

Political factors

Political ramifications of Brexit: The UK's decision to leave the European Union (Brexit) will have a substantial influence on EasyJet. Regulations governing flight rights and activities within the EU are among those that have changed as a result of Brexit. The capacity of EasyJet to conduct business freely inside the EU would be restricted, which would have an impact on its business strategy.

Legal Framework: EasyJet must abide by a number of laws, including those pertaining to labour, the environment, and safety. The costs and operating efficiency of EasyJet could be impacted by changes to these regulations. For example, EasyJet might be required to buy brand-new, environmentally friendly aircraft as a result of increasingly strict environmental regulations.

Counterterrorism and Protection: EasyJet may be impacted by political factors such as terrorism threats or security issues. This might lead to tighter security controls, more costs, and different passenger experiences. In some regions, it may also lead to a reduction in demand for air travel.

State Assistance and Tariffs: EasyJet may be impacted by changes to government support or subsidies for the aviation sector. For instance, a government may unfairly harm EasyJet if it decides to support its national airline more actively.

Economic

The status of the financial system has a big impact on how much people want EasyJet's services. People are more likely to travel for both business and pleasure during times of prosperity, which raises the demand for airline seats. On the other hand, consumers are likely to cut back on travel during economic downturns, which could cause a reduction in the demand for EasyJet's services.

Exchange rates: Because of its international activities, EasyJet is subject to changes in exchange rates. These rates may have an impact on the company's expenses (fuel is often priced in dollars, for example) and revenues (for instance, tickets sold in a different currency).

Costs associated with gasoline: One of the largest operating expenses for any aircraft is fuel. Changes in oil prices may thus have a significant impact on EasyJet's profitability.

Both inflation and interest rates have the potential to influence EasyJet's financial outlays. For instance, rising interest rates could make borrowing money to finance capital expenditures like buying new aeroplanes more expensive.

Changing Travel Habits: Sociocultural shifts can influence how people travel. For instance, growing interest in eco- or adventure tourism may influence the places EasyJet flies to. The rise of remote work and digital nomadism, which frees people from being confined to one place for work, may also raise the demand for travel.

Environmental Awareness: As environmental issues gain importance, the effects of the aviation industry on the environment are being examined more closely. As consumers become more aware of their carbon footprint, some may choose to lessen their influence and choose alternate modes of transportation instead of flying. The demand for EasyJet's services may be impacted by this.

Demographic Changes: EasyJet may be impacted by shifts in the population's age, gender, income, and educational attainment. For instance, an ageing population may result in a rise in demand for locations or services.

Cultural Differences: EasyJet operates in several nations and must take cultural nuances into account. Everything from marketing tactics to customer service procedures can be impacted by this.

Trends in Health and Wellness: A growing emphasis on health and wellness may have an impact on travel demand, particularly during pandemics. The desire for air travel may decline because of worries about the health consequences of travel.

Post-Pandemic Changes in Consumer Behavior: The COVID-19 pandemic has resulted in considerable modifications in travel habits. Some changes may last even after the epidemic, such as a preference for less crowded locations or heightened worry about cleanliness standards.

Technology

The travel industry has undergone an entire change since online booking platforms first appeared. Like many other airlines, EasyJet provides its customers with an online check-in and reservation management system. Any changes in this technology's capabilities or in customers' usage patterns could influence EasyJet. In view of the increasing popularity of smartphones, airlines are likely to offer mobile services including mobile boarding passes and flight updates via mobile alerts.

The availability of in-flight entertainment and internet options has been expected to increase because of technological developments. Long-distance flights profit more from this, on the other hand. Low-cost airline EasyJet must consider the expenses and advantages of implementing such technologies.

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Advances in energy efficiency and aircraft design may have an impact on EasyJet's business operations. Saving money and advancing environmental goals are both possible with fuel-efficient aircraft.

Only two uses of artificial intelligence (AI) and automation are available to the airline sector, and these are automated customer service bots and predictive maintenance for aeroplanes. EasyJet may benefit from these technological developments by improving operations and customer service.

Cybersecurity: As more services go online and more people use technology, cybersecurity is becoming increasingly crucial. EasyJet's reputation could be damaged and major expenses incurred because of data breaches or cyber threats. Sustainable

Technology: Airlines are under increasing pressure to implement more environmentally friendly procedures. Technological advancements in fields like electric aircraft or even biofuels could be significant.

Environmental

Climate change has increased the intensity and unpredictability of weather patterns, which might disrupt flight schedules and increase operating costs for EasyJet. The attraction of places and travel trends can climate change impact.

Climate change regulations and carbon emissions: The carbon emissions from the aviation industry are a significant contributor to climate change. EasyJet may need to make a large investment because of rising legal pressure on airlines to reduce carbon emissions. In the European Union, for instance, the Emissions Trading System (ETS) requires aeroplanes to acquire carbon credits, which can increase operational costs.

Sustainable fuels for aircraft are becoming more popular as a means of minimizing the environmental impact of air travel. Although these fuels can be more expensive than standard jet fuel, they might become more significant if laws governing carbon emissions are tightened. Noise pollution: There are rigorous limits regarding noise levels because it is a fundamental problem for populations living close to airports. EasyJet's operations could be impacted by this, particularly at airports near residential areas.

Airline garbage includes anything from food scraps to single-use goods like plastic cutlery and glasses. The need for trash reduction and improved recycling activities among airlines is growing.

Biodiversity: The development and enlargement of airports may have a major effect on the ecosystems and biodiversity of the surrounding area. Growing awareness of the need to lessen

this effect is raising concerns about how EasyJet's capacity to grow or create new routes may be impacted.

Legal

EasyJet must follow the European Union's General Data Protection Regulation (GDPR).

Several rules that are specific to aviation must be followed by EasyJet in its capacity as an airline. These cover matters like overbooking and compensating passengers for rescheduled or delayed flights, as well as safety laws and aviation rules. The operations and costs of EasyJet's company could be impacted by changes to these regulations.

Laws governing the workplace in terms of hiring procedures, employee perks, and working conditions, employment regulations may have an impact on EasyJet's operations. The cost of EasyJet's personnel, for instance, may change if the minimum wage rules change.

The usage of online reservation systems and other digital technologies is rising, and data protection and privacy regulations are becoming increasingly important. Rules like the General

EasyJet may be impacted by a number of environmental laws and regulations, as mentioned in the environmental elements. The control of waste, noise pollution, and carbon emissions are a few examples of such regulations. Brexit's Effect on Legal Changes EasyJet, a UK-based airline, might be affected by the legal repercussions of Brexit. For example, it might influence their ability to conduct business freely throughout the EU or lead to changes in the law governing things like customer compensation. Standards for health and safety: Airlines are required to abide by strict health and safety regulations for the protection of both crew members and passengers. These guidelines may apply to

3.3 Porter Five Forces Analysis of EasyJet Plc

Problems posed by new competitors: By adopting a reduced pricing strategy, reducing costs, and providing customers with new value propositions, new competitors in the travel and leisure sector provide innovation and new methods of operation, putting pressure on easyJet Plc. EasyJet Plc needs to manage these challenges and put up solid barriers in order to keep its competitive edge.

EasyJet Plc is capable of combating the dangers posed by fresh rivals.

Competitors who have emerged in the travel and leisure space provide creativity and novel ways of doing things, and they put pressure on EasyJet Plc by reducing prices, reducing costs, and providing customers with fresh value propositions. EasyJet Plc needs to address all of these problems and put-up solid barriers if it wants to keep its lead over rivals. by developing new products and services. Additional goods provide current clients more justification

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by establishing economies of scale to reduce the fixed cost per unit.

investing in research and development while increasing capacity. Newcomers are less likely to enter a dynamic market where established firms like EasyJet Plc continuously set the norms. It decreases the opportunity for new businesses to earn spectacular profits, discouraging them from entering the market.

the suppliers' negotiating position.

Every company in the hospitality and tourism sector buys its raw materials from different suppliers. Market-dominant suppliers may reduce EasyJet Plc's margin on earnings in the marketplace. Important vendors in the buyer's services sector use their influence in negotiations to press the travel & leisure sector for higher prices. Increasing the power of suppliers has resulted of lowering Travel & Leisure's overall profitability.

How to cope with the purchasing power of suppliers for EasyJet Plc

by constructing an effective supply network with a range of providers.

By experimenting with product designs using various materials, a corporation can switch to another if the price of one raw material increases. Creating devoted suppliers whose businesses rely on the company. One of the things EasyJet Plc can learn from Wal-Mart and Nike is how they created third-party manufacturers whose company depends entirely on them, creating a situation where these third-party manufacturers have less negotiating leverage than Wal-Mart and Nike.

Buyers' Purchasing Power

Most buyers have lofty standards. They want to spend as little money as possible to purchase the best products on the market. Overall, this puts pressure on EasyJet Plc's profitability. Customers have more negotiating power and are more likely to seek out increased discounts and offers if EasyJet Plc's client base is more powerful and smaller.

How EasyJet Plc can fight the negotiating power of buyers

through amassing a sizable customer base. This will be advantageous in two ways. Buyer bargaining strength will be diminished, and the company will have the chance to streamline its sales and production procedures.

- by creating added items quickly. Customers frequently look for offers and discounts on well-known products, therefore if EasyJet Plc keeps developing new products, it may reduce their ability to bargain.
- The introduction of new goods will also stop existing EasyJet Plc customers from switching to its rivals.

Threats to supply Substitute Goods or Services

Industry profitability decreases when a new good or service satisfies a comparable client's need in a unique way. Hardware storage drives can be replaced with services like Dropbox and Google Drive. If a substitute product or service offers a value proposition that is significantly different from the current offerings in the market, it poses a serious threat.

How EasyJet Plc may fight the use of replacement goods and services

- by focusing on services as opposed to mere products.
- by being aware of the customer's primary needs rather than what they are purchasing.
- by making it more expensive for customers to switch brands.

The conflict between the existing Competitors

Intense competition among the existing participants in a market will result in price reductions and a decline in the sector's overall profitability. The Travel & Leisure sector is extremely competitive, where Easyjet Plc operates. The organization's total long-term profitability is affected by this competition.

How can Easyjet Plc develop a durable differentiator to compete against the strong rivalry among its present rivals in the travel and leisure sector?

By extending its reach to more effectively compete

EasyJet has refined its approach to help us achieve our objective of making low-cost travel easier. By concentrating on these four key areas, EasyJet will be able to take advantage of its unique strengths in the European aviation market and win over consumers, stockholders, and our employees. This will help the firm achieve its objective of being Europe's most popular airline.

4. Conclusion

The plan for Easy Jet Plc is to occupy prime locations in busy airports, facilitating easy access to affordable travel for all people. The primary goals of the company are cost-effectiveness and consumer value, which are reached through long-term strategic agreements with significant airports and ground-managing companies. The organization's management positions at airports with few open slots but high customer demand will be a critical factor in its return to growth that is profitable and durable profits over the long run.

4.4 Recommendations

To reduce fuel consumption and carbon emissions, easyJet must continuously assess its environmental performance, invest in efficiency measures, implement an environmental management system, eliminate unnecessary plastic, engage its value chain for better design and recycling convenience, and eliminate unnecessary consumables from the cabin. providing their employees with training, information, and assistance. amplify leadership participation and worker involvement in enhancing their environmental performance. collaborate with all interested parties to promote improved environmental performance. produce ongoing environmental management improvements, including at least yearly evaluations. This recommendation in comparison to its major rivals, easyJet may be able to keep enjoying its cost advantage on its main network.

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title: environment policy author: *sustainability manager document owner: chief operating officer this policy (April 2022) ("Environment Policy - easyJet plc")*