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Report



Subject:How external and internal factors affect the performance of the HEB company and its culture

Module:Workplace Culture and its impact on Organisational

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1.Introduction

In this report, I will present how the external environmental factors affect organizational culture and its performance but also during the pandemic COVID-19. This paper aims to analyze the determinants of performance. Over time, in the literature, several meanings have been attributed the term performance, the different meanings of which may be: a positive result of activities, competitiveness, profitability, productivity, adaptability, growth, efficiency, satisfaction, success, achievement. This concept is defined differently depending on the users' performance information. Managers are interested in the overall performance of companies, investors (current and potential) will perceive performance through return on investment, employees and customers are interested in the stability of the company, and creditors consider solvency and liquidity.

2.Business Culture in U.S

According to Johnson (2011) Modern society presents itself as a network of organizations that appears, transforms, and then disappears. "We live in a world of organizations" Starting from the premise of the existence of a close connection between culture organizational and that of the society in which the organization operates activity, Hofstede (1980) defines culture as a "programming collective mental health of a group of people "and identifies four dimensions that determine, in his conception, the type of culture. A study conducted among the over 11,000 employees of the company IBM multinationals from 40 countries highlighting cultural differences between nationalities, manifested in the way they are behaving at work. The study focused on the influence of national culture on existing sub-cultures within the multinational company, using the survey method (using the questionnaire) and employee observation. Hofstede has identified 4 key dimensions with which it can be made a distinction between the various values and attitudes of the studied cultures, on labor issues. Businesses adopt a common sense, pragmatic approach to deal with uncertainty (Hickson and Pugh, 2001: 50) And "American dreams" the dream of a territory where everyone's life is much better, richer and more fulfilled, with opportunities for everyone, depending on their abilities

5 dimensions of U.S culture by Geert Hofstede's



3.HEB Company LP

3.1 Vision

The vision is to lead through personal example. The fact that we are the greatest Texas retailer is not just a matter of agility in business: the mission is to be a responsible corporate citizen who believes in creating of value to its stakeholders in the adoption and implementation of sustainable business practices, in the care of the host communities and in environmental protection. And a very good health culture to promote a healthy lifestyle.

3.2 History

The HEB website presents that(n.d) "The story of H-E-B begins more than 100 years ago in a small, Family-owned store in the Texas Hill Country. Today H-E-B serves families all over Texas and Mexico in 155 communities, with more than 340 stores and over 100,000 employees."

Chairman and CEO Charles Butt (2010) said: "Craig, with his collaborative leadership style and keen insight into our customers' needs, is well-suited to lead H-E-B in the new decade,"

3.3 SnapShot of the Company



1905



10000+



1,000,000,000 dolalrs



United States (San Antonio)

<http://www.heb.com>

3.4 Products

The products sold by HEB are mostly own brand. My largest dairy and bread factory is in the southeast. But you operate me with Texas productivity units, and the products sold are local.

- Milk
- Bred
- Meals
- Snacks
- Cooked
- Meat
- Ice-crem



Source:(Dooler,2020)

4.Culture of Health in H-E-B Company

All business leaders have a great impact on health. If we think about the impact of processing, methods and products themselves. This can sometimes have a positive or negative effect. Being aware of this HEB began to promote health culture because they were aware of the role of leaders in promoting it was the first step to give birth to a new method of management, namely the management of health culture.

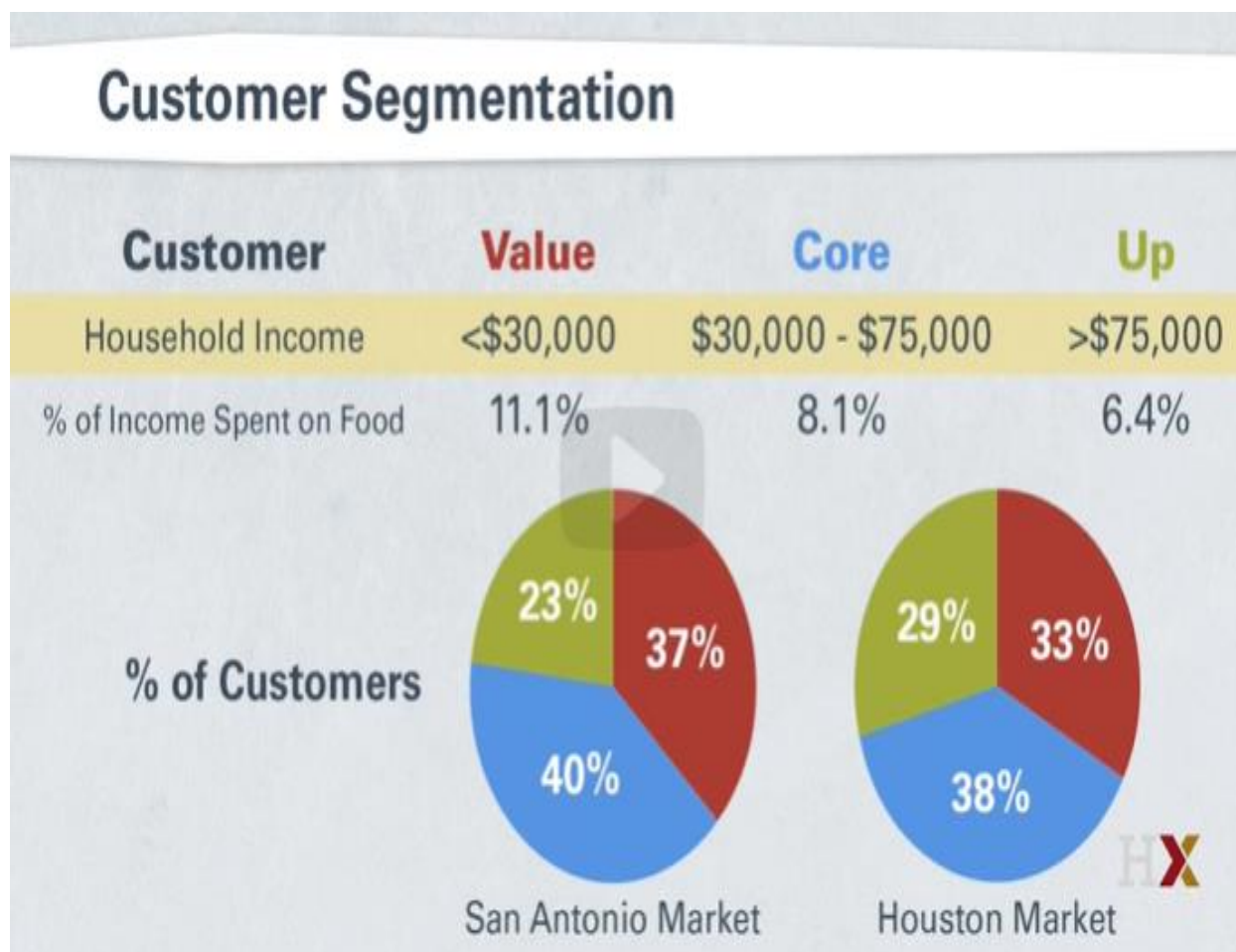
The most impressive food chain founded in 1905 in Texas is HEB, based in San Antonio. Which is a symbol of sustainability and the promotion of a healthy lifestyle. The company is oriented towards communications, thus taking care of the company where it performs its services, this fact made HEB very well known by this label. Thus it won the trust of the citizens, being one of the most reliable and trustworthy institutions in Texas. The basic policy that promotes it is to satisfy the needs and desires of the community. Since the establishment of the company HEB began to get involved in a movement to reduce hunger. But also in education, thus promoting the importance of studies. Being very involved in philanthropy. Not only for these things HEB is one of the most important grocery store chains, but also for the affordable prices at an extraordinarily good quality and the variety of products they have. The main competitor is Walamart, where the volume of HEB supermarkets competes. with hundreds of supercenters. So in the bottom

Market Structure Viewed by Pulling Power



Having good customer service attracts customers whether they are locals or tourists to its luggage. A study shows that over 80 percent of local buyers always choose to shop in a medium-sized store, because it is convenient for me. . And this has helped shape a strategy, creating a dense magazine network for buyers. Having affordable prices for all social beds. As customers are answered uniformly, a tool has been created to calculate customers from the caloric ones, the basic ones to the superior ones.A company examination model is very important for the company to be a successful one, HEB teaches us to never forget prices. It is very important, for example Walmart, have prices much higher than HEB from here occurs losses of customers, usually the valuable and basic ones, will opt for a company with low prices. This is where the internal factors appear, which affect the performance of a company.in the image below you can see the difference between San Antonio Market and Huston Market.

Customer Segmentation by Jose B. Alvarez



HEB was one of the first companies to address the issue of obesity and help allies make healthy choices. This was a taboo subject, and the general public was very confused by the term "culture of health" and what it means to have a healthy lifestyle. This theme, and to understand what it means to be able to have a life as balanced and healthy as possible. The team worked very hard to create some clear instructions so the book about food, called Food, Body and Life, appeared. After this very productive collaboration, the team formed programs, which aimed to promote health among the staff but also for the clients and in general in the communities.

HEB did not stop here, having pharmacies in its stores they began to monitor the health of employees and customers by encouraging tests such as blood pressure, blood sugar or serum cholesterol. In order to attract a healthy lifestyle, they started to reduce the prices of fresh fruits and vegetables, so that customers could buy them to be healthy, you have a lot of vitamins and minerals. They did not stop. Here HEB started to create offers for the type of healthy food, so as to include the necessary ingredients for a good lifestyle, all this being at a reduced price. From here came a new method of attracting customers, labels that were an indicator for customers who need a personalized or special diet. So customers found it very easy to find products that were compatible with them. But also weekly diets. which were weekly and it was a simple way to lose weight easily and the one that mattered to me in a healthy way.

Therefore, the Slim Down marker was created where consumers were selected and lost weight, so it reached a competition and is known throughout the state of Texas. To develop the community for health, diet and fitness they worked together with HEB mayors, non-profit organizations and government officials. To stop obesity HEB used a position of model man to create a state avenging quality.

5.SWOT Analysis

The management of the company is not possible without a clear and precise strategy, respectively without the realization of a strategic plan. The strategy is much more than a sum of objectives and methods of achievement, and for its creation and decomposition it is necessary to prepare, respectively SWOT analysis. For this reason, SWOT analysis is said to be the basis of any successful strategic planning. SWOT analysis is a tool in the business world that helps to re-examine conditions and business, both within and outside the company. This is one of the marketing tools that allows the company to avoid short visibility and be prepared for future challenges. The SWOT analysis of the company defines the basic factors that can have the greatest influence on the company's business.

5.1 HEB company's swot analysis

The SWOT analysis of the HEB company is designed as a series of comments focused on the main influencing factors its development in order to achieve important strategic objectives in the coming years Presented separately by categories of economic activities, this type of analysis illustrates the distinctive internal states of strength or weakness in relation to some external opportunities or threats. It can be specified that elements of strengths, through a capitalization appropriate, it turns into opportunities, and some elements of weaknesses, through chronic, they become threats. In order to deepen the analysis, a detail was needed. A horizontal table-type editorial systematization solution was preferred, for the four essential components of the SWOT in order to increase capacity its quick illustration and highlighting the possible interdependencies between specific categories (table below).



6. PESTEL at HEB

The PESTEL analysis covers the following aspects: Political, Economic, Sociocultural, Technological and legal of the environment in which the company operates, being a relative tool simple, easy to use and by small and medium enterprises. Following the analysis, small firms and media can identify a number of opportunities and especially threats that may affect their future activity, an extremely important aspect for these extremely vulnerable companies in the face of environmental changes due to the limited resources available to them.

A PESTEL analysis looks at the (macro) environment on a large scale outside the industry. Like the five forces, PESTEL corresponds to opportunities O and T hreats in SWOT. According to Forbes(2020) Website " H-E-B is a regional supermarket chain with 340 stores in Texas and Mexico. The company's Central Market stores compete with Whole Foods and the Mi Tienda stores sell Hispanic foods. H-E-B remains owned by the Butt family".

HEB PESTEL Analysis(P and E)

Political

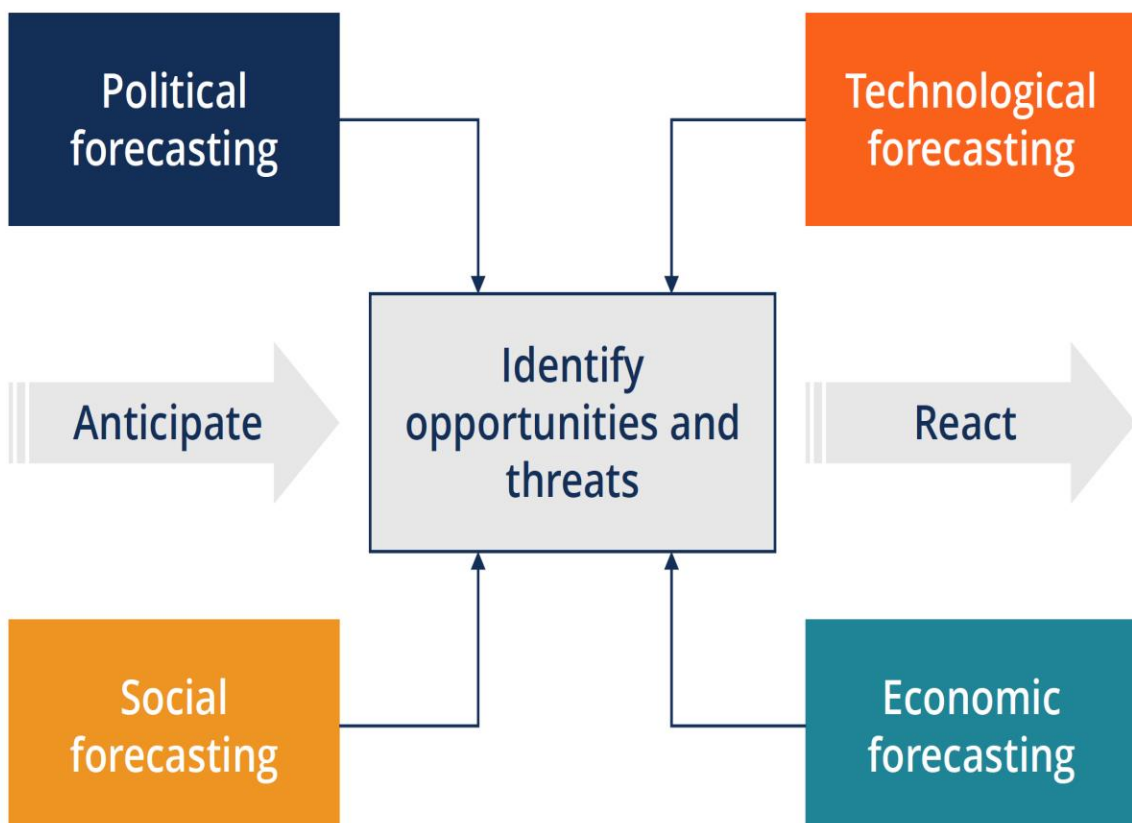
- High levels of conflict and political vulnerability across the globe currently threaten the sustainability of foreign firms who may be stigmatised based on their country of origin.
- Australia and China, which at present are all relatively free from conflict, and thus threat to HEB's operations from war is low

Eviromental H-E-B is part of the Environmental Protection Agency's (EPA) GreenChill Partnership, strengthening its commitment to reduce its carbon footprint by continuing to invest in cutting-edge, environmentally sustainable refrigeration systems. • Since 2009, nine H-E-B stores have been awarded LEED® (Leadership in Energy & Environmental Design™) green building certifications and we've incorporated many of the same sustainable design strategies into our new stores

6.2 The importance of PESTEL Analysis in Strategy Management of HEB

According to Michael Porter(2006) organizational performance is to large extend determined by various industry forces. PESTEL is one of the most usefull methot to analyse an organization. PESTEL analysis is a useful tool for understanding the “image ofcoverall ”regarding the environment in which the organization operates and for analysis opportunities and threats that exist in this environment. By understanding the environment we can take advantage of opportunities and reduce threats. The concept of "PESTEL" is a shorthand for the terms political, economic, socio-cultural and technological. The use of the tool involvesgoing through three stages:

- In the first stage, the relevant factors that apply to the situation are identified is analyzed.
- In the second stage, the information contained in these factors is identified.
- In the third stage, conclusions are drawn based on this information.



7.Sustanibility at HEB

Hart and Milstein (2003) propose a definition- A sustainable enterprise is one that contributes to sustainable development by delivering simultaneously economic, social, and environmental benefits—the so-called triple bottom line. HEB's awareness of sustainability has increased over the last twenty years. More and more companies are making efforts to overcome the specific challenges of achieving sustainability and achieving increasingly sustainable performance. Accordint to HEB website(2020 our work to care for the environment not only makes us better neighbors—it helps us serve you better. By being energy efficient and conserving natural resources, we're not only helping the planet, we're also creating savings we can pass on to you in the form of everyday low prices.



8.Factors that affect organizational culture

Internal and external factors have a direct action that is often short-term with partners who enter into relationships whether they are business or not, thus influencing the performance and activity of HEB. At the beginning no company has much trust in partners, they strengthen their trust over time, when known and work for a certain time together such partners are called "traditional partners". And they become long-term partners.

. The ability to attract, motivate and retain the human resources needed to produce competitive goods is obviously important for any enterprise, at least for two reasons: human resources are creators of scientific and spiritual values; of the enterprise (material, financial, informational) depends on the quality of human resources, on the way they act.

8.1 External

In two ways external factors influence HEB's activity. Indirectly it is affected by the economy, technologies, social, political, demographic and cultural sphere of the company and directly by buying technological time equipment that helps increase productivity. HEB has factories that deals with milk processing and bulgariums that increase profit. Profitability and efficiency create an efficient economic base on the unit profit of all sales. This fact is due to reports that reflect a priority activity of the company in the superior condition of the clients' problems through the products it offers them.

Sometimes, the failure is due to the internal environment: finances, staff or company cars. Sometimes it is due to the company's environment. Knowing how internal and external factors influence a company can help the business thrive. Knowing the internal and external factors that affect an organization gives the company the information it needs to effectively address its priorities, as well as to make useful and convenient strategic plans that can be implemented in the future. These factors are grouped into strengths and weaknesses. If an item brings positive effects to the company, it is considered a force. If one factor hinders the company's development, it is a weakness. Company exists as an open system in which inputs are converted into outputs through the tasks to be performed by people in the system. His conception helps to identify three internal critical success factors in managing companies: corporate strategies, operational systems, human resources and also three kinds of external forces: market forces, cultural forces, economic forces (Vartiak, 2016). The company's relations with the market target 3 major components, name :commodity market, capital market and labor market. In conclusion, the organization, and therefore the company, inter-conditions with the environment on three levels:

1. as an open system where inputs are resources attracted from the environment (technology, finance, personnel, materials) and outputs are goods and services provided to the environment:
2. as a partner in the regulations with the participants with whom it interacts (shareholders, employees, suppliers, customers, banks, state) whose rights, needs and demands must be taken into account.
3. as opportunities and environmental threats to the organization. The opportunities that the organization has finds in the environment are: new markets, new technology, information. The threats he face subject to the organization refers to competitive products, the emergence of new competitors, changes legislation, material crises, natural disasters, political movements.

9.H-E-B Culture during COVID-19

95% of companies took steps to survive the crisis caused by COVID-19, and 90% took them immediately after the start of the emergency. The most common are financial measures, which protect cash flow in the short and medium term, followed by measures to protect employees and measures to pivot the business, the study shows. On average, companies took 3.5 measures, no matter what they were. The most cautious organizations are those in the consumer goods industry, with a record number of 6.5 measures taken on average. The first thing we need to know, experts say, is that fear is normal in this context of the pandemic we are all experiencing with education and healthy cultural and managerial support is reported to be more effective than health risk appraisals or educational programs alone (Goetzel & Pronk, 2020). According to the case study made by Spangler (2012) 'H-E-B is a large employer in Texas that offers a full spectrum of employee benefits, from health promotion to health care plans to disability coverage. Like many large employers, H-E-B has a benefits team that carefully evaluates and manages the company's health care and disability costs. The continuity of this distinctive work culture involves carefully crafted communications, as well as programs, benefits, and training that emphasize total health and well-being. H-E-B emphasizes organizational effectiveness and involves employees in recognizing operational problems early and maximizing operational processes.' Demographic factors - number and population structure, birth rate, mortality. Legal - legislative factors laws, decisions, decrees. Natural factors - natural resource. Increasing evidence suggests exercise is an effective treatment for depression, as well as an adjunct to enhance effectiveness of antidepressant treatment (Blumenthal, 2008; Toups et al., 2011)

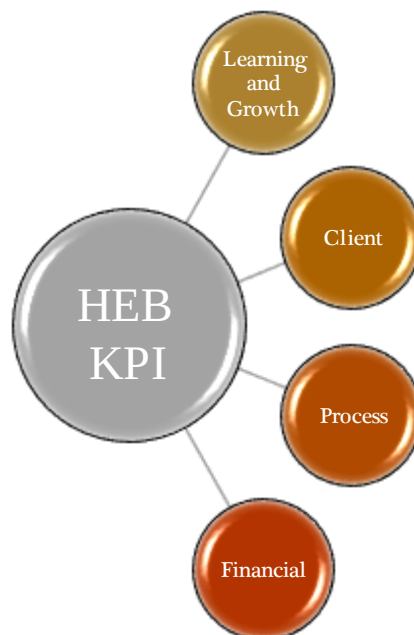
10. Performance

‘This is absolutely the best exposition of CRM. I can’t think of a better guide to increasing your performance and profits. This book belongs on the desk of every company that is serious about CRM. The wealth of information and insight is astounding.’

Professor Philip Kotler, S.C. Johnson & Son Distinguished
Professor of International Marketing, Kellogg School of
Management, Northwestern University, USA

In various ways, the performance of a business can be measured. In the 21st century, it is no longer driven by financial measurements that were simple and short-term, for example its quarterly profit per share. Managers have turned to another type of set, to new performance indicators, for example triple bottom line balanced scorecard - uses 4 sets of performance indicators (KPI). What connection do these factors have, so they are the people acting on the customers thus increasing the performance of the business.

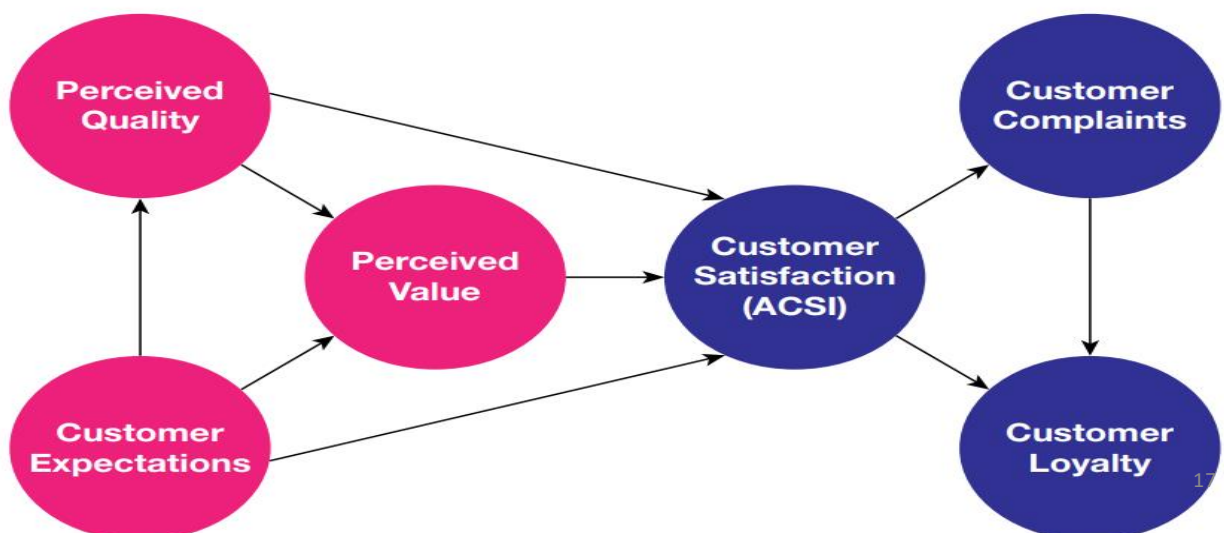
The key word is HEB when it comes to performance is... KPI. Key Performance Indicators. , key performance indicators. The choice of these indicators provides essential data on the direction and strategy of the organization, knowledge about behavioral factors and influencing performance. Of course, choosing these performance indicators rarely requires the precision of a Swiss watch.



This method is used to assess the performance of the business according to CRM:

- 1.Customer satisfaction levels
- 2.Customer acquisition costs
- 3.The number of new customers acquired
- 4.Customer retention rates
- 5.Average duration of customers
- 6.Revenue growth

An independent study, using data from the ACSI, has also found that customer satisfaction had a considerable effect on business performance, although there was variation across sectors(Yeung and Ennew,2001) Performance is also determined by integration and synchronization technologies. A CRM application will appear slow if the user has to wait for an automatic email to appear created and sent via the email interface Through the integration and synchronization technology we can also determine the performance. If we have a system or a CRM application where to connect with licenses or if it sends email to customers about offers, etc. the demand will increase. **The American Customer Satisfaction Index (ACSI) model**



11. Conclusion

Does health culture affect an organization's performance? The answer is yes, all corporations would train to get involved in the communication problems in which they operate and be responsible, you chose me when the stake is our health, that of consumers. And HEB has shown a functional management and has grown over the years, and is an example for all such companies. The organizational culture approached by HEB is characterized by responsibility and trust. A behavior that agrees with all legal provisions and fair competition are solid components of our activities business and is an essential condition to ensure our entrepreneurial success. Management system compliance prevents potential mistakes. Its instruments and regulations clarify employees all legal risks and them provides support in their daily activities. The online reporting system can be used to raise issues and notify the company about non-compliance.

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