

Introducing the Modern Workplace

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Table of contents

1. Executive summary	3
2. Introduction	3
3. Organisational structure	4
3.1. Definition	4
3.2. Different types	4
3.3. Waitrose structure	5
4. Organisational culture	5
4.1. Definition	5
4.2. Different types	5
4.3. Waitrose culture	6
5. Organisational structure influence on organisational performance	6
6. Organisational culture influence on organisational performance	7
7. Influential factors on employee behaviour	7
8. Recommendations	8
9. Conclusion	8
10. References	9

1. Executive summary

This report has focused on two main concepts within an organisation: the organisational structure and culture. It has contrasted theories and notions in defining and categorising both concepts.

This report has selected Waitrose for illustration of the analysed concepts which has a unique structure and culture with a strong set of principles and values. The organisation had tried to maintain the original form of the business idea where staff is part of the business and can get involved in the decisional processes.

The influence of organisational structure and culture on organisational performance has been assessed using different exemplifications for different types. It has been identified that structure and culture have a direct impact on the business activity and the performance levels.

2. Introduction

Waitrose is part of the John Lewis Partnership Group. It is a British company with a history of more than 100 years, based in London and its business activity is food retailing. It is renowned for being the royal family supplier. There are more than 200 Waitrose stores opened across the United Kingdom and with around 80000 permanent personnel.

The organisation is focusing on delivering high customer experience with qualitative products and modern locations (Zwiebach, 2005).

3. Organisational structure

3.1. Definition

The organisational structure is defined as the method used by the organisation to organise work. The structure allows collaboration whilst managing individual functions. The traditional organisational structures had a more formal character, with many working groups with different functions, different regions or product type. Taylorism scientific management had been widely used in the past for achieving performance based on task efficiency (Biscontin, 2020).

Nowadays organisations prefer a less traditional structure that is more flexible and can adapt more easily to the changes from the market and business environments. This ability to align organisation structure with the required needs ensures long-term viability. The changes determined by the modern technologies and usage of internet has determined very flexible structures to virtual organisations.

3.2. Different types

The organisational structure has evolved considerably along time as it was observed that rigidity, autocracy and hierarchy are a constraint for development and growth. Therefore organisations have shifted towards networking, empowering and boundary-less structures that are able to customise products and services to address customer needs.

There are different types of structures such as vertical structures, matrix structures,

Vertical structure can be functional and divisional. Functional structure is organised hierarchically by specialisation and is specific more for standardisation and specialised process. It has production departments, sales department, accounting departments, Human resources, research and development and marketing departments. Each of these departments is specialised for their activity and functions and report to the head of the department. The divisional structure is dividing the organisation based on the output of the employee's work, product, market or region.

The matrix organisational structures are a dual command organisation that combines elements from functional and divisional structures. This approach is realised for the purpose of achieving performance of employees and to minimise costs.

The open boundary structures can have hollow, modular virtual and learning structural form. These structures are more recent and are opposed to the traditional structures. The organisation uses teamwork instead of departments. Collaboration and communication is key to the activities and the hierarchy is flat. The decision making process involves the participation of all employees and uses a

360 degree feedback appraisal system. This way the talent is exploited more effectively and has a faster response to the changes within the market. In order to be a successful structure for the organisation it should be accompanied by a strong leadership and a common vision. Hollow structure divide work in core and non core. Modular structure is similar, but outsources the products. Virtual organisations (network structure) is based on organisations cooperation and collaboration under a common business understanding (Science Direct, 2014).

3.3. Waitrose structure

Waitrose is part of the John Lewis Partnership. In this organisation the structure is very decentralised. It has a Chairman and a board of directors. The staff from all levels can express their views anonymously regarding to the business activity and are considered to be partners. With the yearly returns the distribution takes in consideration all staff that are permanent (UK Essays, 2018).

4. Organisational culture

4.1. Definition

Organisational culture consists of values and beliefs that are shared by the leadership and which is established through various methods that can shape the understanding, the perception and the behaviour of the employees. It is the generated context for the business to take place (Maitland, Thomson, 2014).

4.2. Different types of culture

The variety of business determines a variety of cultures and employees have an important role in perpetuating the organisational culture. A strong culture is beneficial for the organisation as it dictates and demonstrates the organisation's values and visions.

The organisational culture can have different characteristics depending on the leadership, the communication styles, the communication flow and therefore the terms for describing the culture can vary. The culture can be performance driven, customer focused, research driven, technology driven, hierarchical, risk-taking, ethical etc. These variations can be challenging for organisations to maintain consistency. There are several characteristics that shape organisational culture such as: leadership, different values, outcome orientation, team orientation, innovation, people orientation, attention to detail, stability or aggressiveness (Martin, 2001).

Other aspects to be considered in the organisation culture is the degree of hierarchy and degree of urgency with high, moderate and low levels, people orientation or task orientation, functional

orientation. Further that a culture can have more subcultures within smaller groups. An example of subcultures are the regional cultures.

Handy (1985) suggested that culture can be divided in power culture, role culture, task culture and organisational culture. The power culture where only a limited amount of people have power, role culture where the power is prescribed to a group of people, the task culture where are designated teams to problem solving and person culture where individuals position higher to the organisation (Management Study Guide, 2015).

4.3. Waitrose culture

Culture in Waitrose is customer focused and their business activity were recognised as one of provider of the highest customer satisfaction from the UK retailers. The organisation position is as a super premium retailer with different strategies towards sustainability, layout, design and ambient of the stores, different in store services such glass loan etc. Their values relate to integrity, exceeding expectations through hard work and teamwork efforts.

The organisation has a written constitution that gathers the organisation governance system, the rules and principles which originates from the business founder in order to set high standards of behaviour (John Lewis Partnership, 2021).

5. Organisational structure influence on organisational performance

The organisational structure has a strong impact on the organisational performance. Performance in functional structures is achieved due to the high level of expertise specific to this structure. A disadvantage for this structure that can affect performance is the communication fail as departments can be formed as silos resistant to change and cross functionality can be difficult to be implemented. This type of structure will have higher levels of performance in centralised organisations. The divisional structure can influence positively the organisational performance because it allows more coordination with faster decision making processes. It can also reduce performance due to the effort duplication and competition between departments. The matrix structure can influence negatively the performance as at times employees can find confusing to whom they need to report. When managers disagree and have conflicts, that can affect the work of employees and their performance as the stress level increases. When two-dimensional command transform in multi-dimensional then the reporting system is even more slowed down and more confusing. A positive aspect of this type of structure is that the control can be more specific for

large companies and when training is required it can be easily addressed. The border less structures can impact performance when there is no strong leadership, when employees can become adverse and abandon change if it does not have an immediate effect.

Waitrose organisational structure has a positive influence on the organisational performance as it has a decentralised structure focused on customer satisfaction and that allows high levels of communication and decision making in order to have quick response to customer's needs.

6. Organisational culture influence on organisational performance

An organisation that has a strong culture benefits their activity and performance in the increased competitive business environment. The organisational culture is considered to be the key to organisational performance and excellence. It was identified that culture influences the behaviour of the employees and that it can be changed, learned and passed on (Schein, 1984).

Schein (1984) elaborated a structural model of culture for organisations that has three domains: basic underlying assumptions, espoused values and visible artifacts with the emphasis of the visible artefacts having a critical role for the behaviour of the employees and organisational performance.

Researches have measured the impact of culture on organisational performance by looking at management practices, motivation and talent retention and economic performance (O'Reilly, Chatman, 1996).

Kotter and Heskett (1992) had argued the role of culture within an organisation by emphasising the importance of circumstances and that the success can only occur if there is a fit of the culture with the business strategies and environment. The culture should provide a strategic competitive advantage shared widely within the organisation in order to improve the overall performance. Therefore a strong culture would enforce cooperation, trust, efficiency, sense of identification and understanding which can generate a positive performance. In contrast an ineffective culture can impact negatively the bottom line of the business activity.

In Waitrose the organisational culture is focused on teamwork and collaboration in order to achieve maximum customer satisfaction. The premium positioning involves efforts from all the employees and that is mirrored in the successful results of the company (Waitrose Case Study, 2007).

7. Influential factors on employee behaviour

The dissatisfaction of employees can be the result of lack of training, motivation, leadership. This can influence the employee behaviour within and organisation. The aspects related to job such as

job security and involvement are also influencing the behaviour of the employees. The attitude towards the organisation and its activity is another influential factor for the behaviour of the employees (Kerno, 2007). Introducing change can be another influential factors for the behaviour of the employees as people can show resilience and feel uncomfortable (Saari & Judge, 2004).

There are many variables and factors that need to be taken into account when analysing the employee behaviour. A happy employee will be engaged towards the organisation aims and objectives and will have a good performance (Robbins & Galperin, 2009).

The employees behaviour in an organisation is also in connection to other elements such as education, wants and needs, personal values. Managing all this factors in the most appropriate way to ensure performance can be challenging for management. That is why culture and structure have great importance in the business activity.

8. Recommendations

The selected organisation is Waitrose. The decentralised structure practised within the organisation helps the business to thrive and grow. The culture in Waitrose is unique with all permanent staff taking part in the decision making process and specific systems put in place towards that. This encourages collective involvement and increases the performance levels.

A recommendation for Waitrose is related to the organisational structure and culture which should be to gradually change the focus on achieving performance. This would provide more return and would make the employees more engaged to achieve targets and to positively compete.

9. Conclusion

This report has identified the importance of structure and culture in an organisation. It has analysed the different types by emphasising different sources of research and theoretical models.

The traditional structure within an organisation had developed according to the changes of the business environments with the purpose of achieving business goals most efficiently.

It has been established that culture can vary within organisations and can not have a single definition. It involves different factors to build a strong culture which is a denominator for successful organisations.

The recommendation for the selected organisation is to benefit of a culture focused on performance that could help the business grow.

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