



LCBB4003

Introducing the Modern Workplace

Assignment 1 – Structure & Culture



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Introduction

Since the 1860s, Nestlé UK has been in the United Kingdom. Nestlé, the Anglo-Swiss Condensed Milk Company, and Rowntree's from York have their origins in three major organizations. Nestle was recognized as the world's most successful company at Fortune Global 500 in 2011. Nestlé accumulated 224 million pounds in our UK facilities between 2006 and 2011. They hire 6,500 workers at over 20 locations. Nestlé is a leading UK employer. This essay is to demonstrate and throw light on the organizational structure and culture of Nestle and the association with the performance of Nestle (Miah et al., 2015). This paper explores Nestlé's organizational culture in the context of the corporate culture paradigm of Hofstede.

Organizational Structure

The organizational charts of a company usually display relationships between individuals. This may include managers for sub-employees, managers for managing directors, managing directors for different departments, and so on. If a diagram becomes too wide, it can be broken down into smaller diagrams for different organizational divisions.

Organizational Structure of Nestle

Nestle Corporation is autonomous, due to the form of the matrix. A decentralized structure Nestle enjoys a proportionately high degree of freedom by subordinating divisions. While important strategic decision-making remains at the level of the Headquarters, daily tasks have to be carried out by subordinated divisions. It is up to local authorities to make tactical decisions.

A complex network is a framework of hierarchical form involving a wide number of organizations with a high degree of non-linear interactivity. There were a couple of fundamental discoveries, primarily from computer simulation and the mathematics of non-linearity, from the analysis of complex structures (Hamza, 2019).

In general, dynamic structures are open systems. Nestlé has demonstrated an outstanding capacity to respond to an ever-changing global climate without losing its underlying principles and core values that are so vital for long-term sustainability, thanks to its long history from a small village business to the world's leading food corporation. In the years to come, this potential will continue to be a major challenge as Nestle increases in scale and sophistication to a level that allows its structure and its service to be continuously established.

Organizational Chart of Nestle

Nestle management is also classified into top management, middle management level, and low management in the organizational diagram

Top Level Management

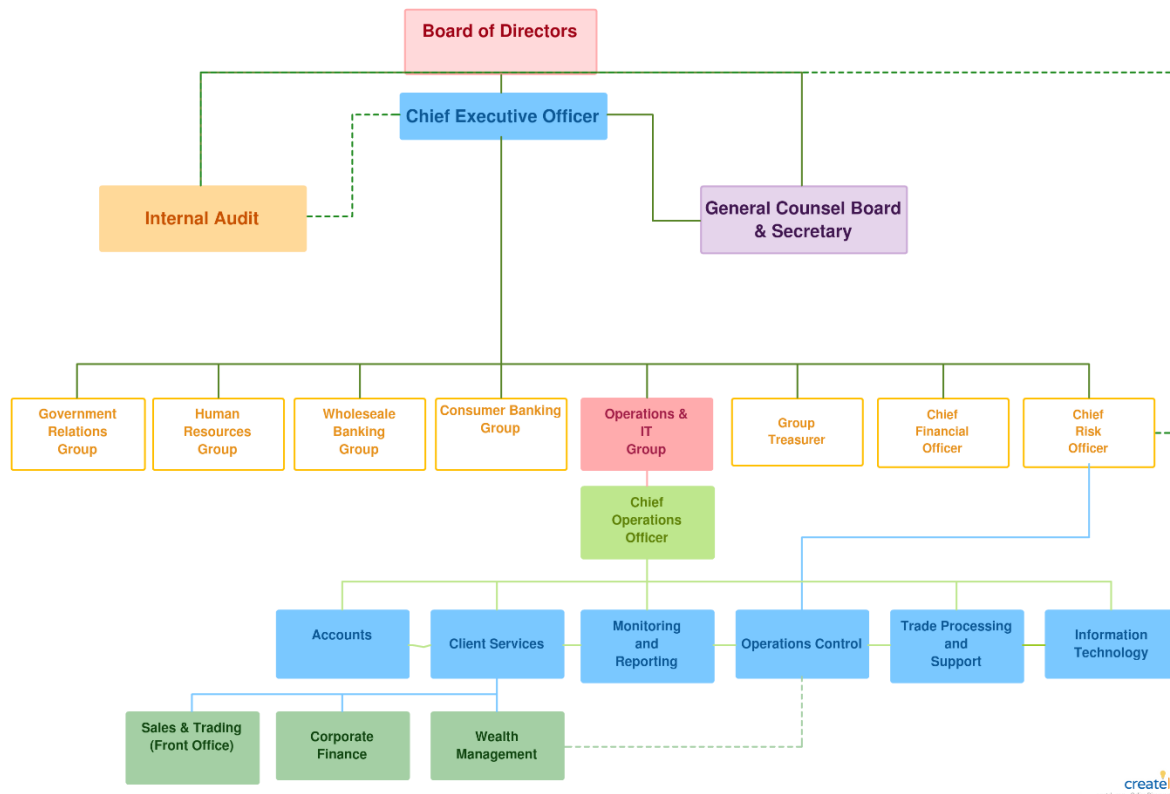
It consists of the Management Team, the Managing Director, or the General Manager. Top management is the main centre of authority and oversees programs' goals and strategies. It devotes more time to activities planning and organization.

Middle-Level Management

The departmental administrators and supervisors are at the mid-level. They are responsible for the department's upper management. They invest more time in marketing and organization.

Lower Level Management

Lower management level is also known as the operational/ control level. There are administrators, officers, superintendents, etc.



Organisational Culture

The organizational culture is a particular pre-defined strategy that offers guidelines and direction for the employees. It is a dynamic structure, containing universal principles, beliefs, and expectations, regulating the actions of the workers of the company (Ojo, 2012). Such underlies led to psychological and social conditions, as well as to their attitudes, ideals, and traditions.

Organizational Culture of Nestle

Nestlé's vision statement is short and timely. In other words, the firm did not take longer dialects and dialogues to advertise the public and the stakeholders concerned. It should communicate the essence of the company and its plans to help stakeholders understand its corporate culture and corporate strategy.

Importance of Organisational Culture

It is important to consider the corporate culture as organizational culture plays a significant role in achieving a strategic advantage in today's dynamic market climate. Nestlé's corporate culture means that everybody respects a shared mission and is well matched with the wider organizational goal. Nestles workers should coordinate their attitudes, priorities, and deep-rooted values in the desired direction, achieve optimum results, and maintain full loyalty to the company.

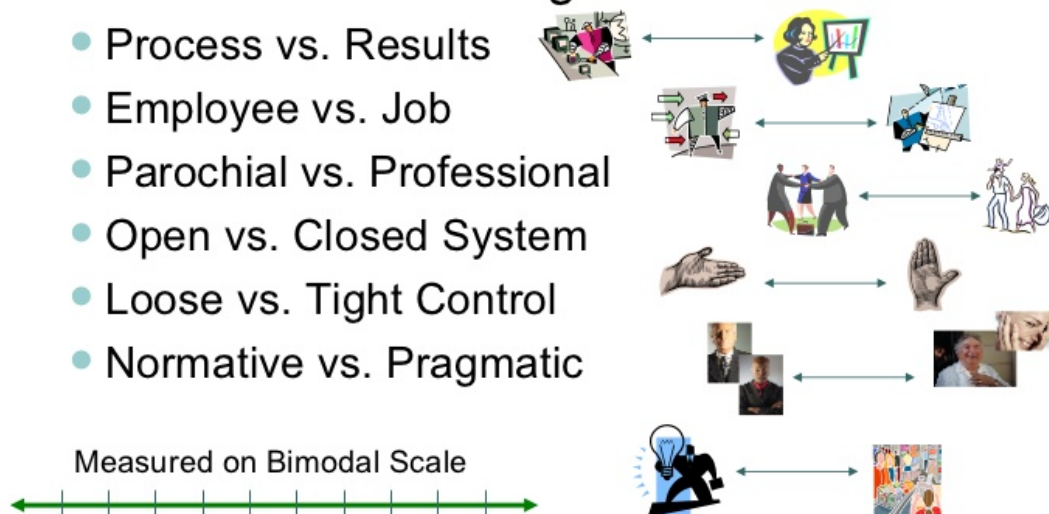
Hofstede Organisational Culture Theory

Analysts have often applied the concept of corporate culture suggested by Hofstede as a means of evaluating the organizational culture of any business. In the context of the cultural paradigm of Hofstede, the corporate culture of Nestle can also be analyzed (Hofstede, 2011). As mentioned below, the model has six dimensions:

● ● ● | Organizational Culture

○ Six Dimensions of Organizational Culture

- Process vs. Results
- Employee vs. Job
- Parochial vs. Professional
- Open vs. Closed System
- Loose vs. Tight Control
- Normative vs. Pragmatic



Means oriented versus goals oriented

A very important corporate culture stresses 'how' the work is done, while 'what' can be accomplished is stressed by the target-driven culture. The typical approach shows the actions of people to eliminate risks, while the aim orientation indicates that they are prepared to obtain the expected outcomes even though any risks exist.

Nestle has succeeded in striking the best balance between the mean and the target, stressing the importance of hitting the targets and inspiring workers to only take chances while they are useful.

Nestle works on the mean orientation such that workers can follow responsible approaches and incorporate strategies to meet the given targets since honesty is considered their central interest. This encourages staff to foster just fair rivalry. Nestle helps its workers to do their utmost to meet the aims by working on the target orientation. Employees are not disciplined if they share new thoughts and take chances. Nestle has successfully reduced its employees' fear of failure.

Internally and Externally Focused

The culture of an organisation may also be categorized as influenced internally or externally. An internal business culture represents the general views of the staff regarding their skills and abilities. In a strongly internally oriented company, workers assume as if they are conscious of, and behave appropriately, the customer's overt and implied desires. The organizations guided internally assign the principles and dignity high priority and will not sacrifice the ideals to produce the desired outcomes. On the contrary, publicly focused companies prefer to rely on objectives and staff feel that satisfying consumer needs are more important than ethics. Therefore, they take a more cautious and more realistic approach.

The corporate culture of Nestle is guided more internally than externally. While the management maintains a fast reaction to the evolving consumer demands, the management freely shares the importance of ethics in responding to business demand. The organization is committed to incorporating honesty and fairness into its practices.

Work Discipline

Corporate culture may also be categorized as a mentor with simple or strict work. This cultural aspect demonstrates how ordered, regulated, and organized the organization is internal. Companies with a simple workload have a dynamic, non-strict hierarchical structure. The community lacks consistency, and administration can only regulate the practice in a specific way (Baird et al., 2011). The study of the corporate culture of Nestle shows that the business is similar to an organized working community with strong leadership and a broad structure. This means that the administration opposes decisions and actively monitors the working actions of its workers. Creative and creative activity is facilitated by the incentives of multiple financial and non-monetary benefits for workers, but the freedom and flexibility of companies are reduced because of a strong tendency to job discipline.

Local and Professionalism

The business culture can be split into local rather than global culture. This cultural aspect suggests the affiliation of the workers of either the boss/work unit or their occupation. Employees prefer to associate with their company groups, teammates/colleagues, or managers in organizations with a strong level of local culture. Internal and short-term emphasis continues, and workers continue to be involved and linked to the people around them. Effective social influence requires the leaders of the group to act similarly. On the contrary, workers appear to associate with their professions or products in businesses with a strong degree of organizational culture. They do not want to cooperate with anyone and have a long and broad emphasis.

For Nestle, the organization helps its workers to be qualified. There is no requirement to act in a certain manner. Diversity and variations are encouraged and valued at Nestle. The incentives offered by these positive gaps are exploited. The example of the Nestle demonstrates how important it is, in an increasingly diversified setting, to nurture competent organizational culture.

Organisational System

Access to the closed network aspect shows the openness of the enterprise and the general environment of contact. Open platform organizations tend to recruit new workers to build an egalitarian workplace atmosphere where personnel from diverse ethnic backgrounds can quickly adapt. These corporations respect and incorporate diversity in their management activities. On the other hand, closed-system institutions continue to find transitioning and establishing relationships challenging for outsiders.

Analyzing the corporate culture of Nestle indicates that the enterprise is strongly oriented to the front. There are open lines of contact in Nestlé, with a diverse and diversified corporate culture. Nestle also has a strategic edge in its capacity to handle a much diversified workforce. Nestle has been able to maintain a high flow of data and use the expertise, abilities, and skills of workers from diverse backgrounds through its transparent cultural network. The two reasons multinational corporations such as Nestle regard these as necessary to adapt swiftly and in various geographical fields to changing consumer requirements.

Employee and Work Orientation

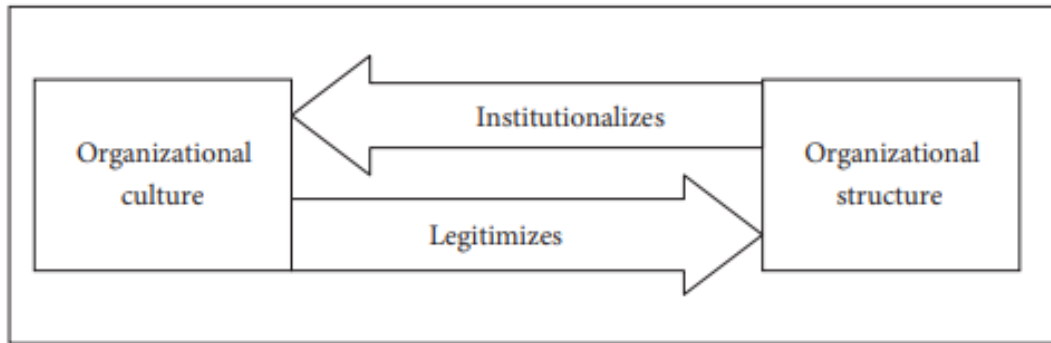
The alignment of the employee and job represents the culture, priorities, and general alignment of the management to either the good of workers or the achievement of work objectives. The organizational philosophy of placing workers in front of consumers and clients represents a simple workplace orientation organization. It is the ideology of management and expresses a strong relation to the modern era in which human capital is strategically important (Lee and Yang, 2015). In a highly work-oriented society, companies continue to unnecessarily burden workers with a deep focus on optimizing job efficiency even though it harms the larger workforce.

The management of Nestle also knows the importance of its human resources and thus prioritizes the happiness and morale of its employees. While workers are appointed to the demanding tasks, they are taken care of and escape stresses that can drive workers to burnout.

Impact of Organisational Structure and Culture on Organisational Performance

Among the principles of most explanatory and predictive capacity, corporate framework and organizational culture are the origins and types of people's actions in organizations. Corporate culture has an influence in both its conception and its application on the organizational structure. The organizational culture has its influence on the structure of organizations through the creation of the top management interpretative plans, which choose the model of organization (Pandey, 2014). The community provides a context in which the principles and the purpose of the administration of the company participate in the decision-making process surrounding the organization's paradigm.

Hierarchical culture and organizational structure contribute to the most studied principles in the world of management since they affect the actions and success of the organization's leaders and the organization. The creation and execution of the organizational system were informed by organizational culture. The community provides the meaning and the model used by those constructing an organizational system with its beliefs, principles, norms, and attitudes (Janićijević, 2013). In the process of the introduction of the chosen system, the cultural context may often be greatly enhanced or expanded. Corporate culture legitimizes workers' actions, judgments, and corporate structure in the light of the established principles and expectations of actions. The corporate system, on the other hand, institutionalizes culture; that is, it represents its beliefs, expectations, and attitudes. The organizational structure may still reinforce or even alter the current organizational culture. The relationship between an organization's culture and structure is also twice that.



Source: (Janićijević, 2013)

Conclusion

The study of the corporate culture of the Nestle reveals that good businesses are not overly cultural, but seek to strike the right balance to build the appropriate culture. Nestle effectively developed a powerful corporate culture, and its increasingly diversified workforce is profoundly rooted and generally embraced.

To maximize success, a company should use the corporate culture as a tool to derive competitive advantages by establishing harmony between its framework, ideology and business practices and recognizing the dynamic relationship between core goals, key beliefs, and observative activities. Good work culture companies maintain their place in the hyper-competitive industry, and Nestle is an example of that.

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