

University of Wales Trinity Saint David

Workplace Culture and its impact on Organisational Efficiency

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Introduction

PESTEL analysis is structure of external factors which are affecting the business environment. The full form of this analysis is Political, economical, social, technological, environmental, and legal. Small and big both kinds of organizations are affected from this analysis. Culture web is tool for analysis six various culture of the organization. Ethical dilemma is a situation where employee business man worker have two options but the choosing of right option is also difficult, That is the reason company give training for ethical principal. It is tool to provide some approach for changes in organization culture (Wajid and Zafar, 2021). Primark is one of the top retail industry in UK., which is selling clothes, accessories for women, teenager, collage students, school students etc. This report will look at the factor which are affecting the industry or business environment from external forces. Changes in external forces it directly reflects the company performance. This report will give long detail about various factor which helps for business environment and ethical business practices for organization growth.

Organisation environment affected from PESTEL analysis

Every business or organisation is affecting from various external factors. Factors are directly impact on the growth and reputation of the company. The Primark industry will also affect external forces. But every organisation try to make different strategies for business growth in competitive market. Primark industry or many industries are affecting from PESTEL analysis as follows

Political Factor:

This factor is affecting the organisation policies and rules. Changes in government policies will directly affecting the company performance. On the behalf of government policy company has to focus on changes in their policy is very essential for surviving in market. The Primark market is also applying policies and regulation for better goodwill in UK market. We know that this company is mainly selling the cloths, so changes in government policy will directly affect the selling (Vintilă, and et.al., 2017). So every company has to focus on maintaining or applying their policies where they run their business. This organisation needs to make sure that it enters its market after the consideration of the political factors as it can create a lot of changes in its operations.

Economic Factor

This is the biggest affected factor for organisation in recent time. Unwanted situations are directly affecting the growth of this organisation, not only this organisation economic factors are affected so many organisation performance. Recently pandemic coronavirus is affecting the whole world economy. Primark is the market where all types of cloths are selling, it means cheap and branded both. Managing the various products is very important according to weather. On the basis of fashion conscious women, tanagers are always wanted to look good, and Primary market has cheap cloths store, so this company are not much affected from economic crises. Due to the economic recession which has been in the UK economy for the last couple of years this organisation has been affected.

Social Factor

The changes in value, thought's, perception of customer is affects the organisation sell. Fashion trend is the biggest advantage for this industry. People getting more fashionable day by day it is good for this company. Knowledge about social environmental factor organisation added new product for customer (Rattanapongpinyo, 2019). Primark industry facing many challenges like, fast changes in fashion is increase wastage of old stock, new brands, new stores, new techniques in selling process etc. This factor is affecting this kind of organisation performance. People are more believe in new brands is also threat but application of collaboration of new brands techniques is very great strategy for this organisation. The society is very influential for the organisation as the employees of the organisation are from the social background which affects the business of the organisation.

The knowledge economy

Knowledge of new technology, people choice, wants, perception is best key for surviving in the recent trend marketplace. Knowledge base organisation explore their business in many ways. They have proper structure and clear picture of which product profit margin is most. Many business man if their business is small or large they have to mainly focus on their target audience. From the using of social media is very easy to find that which competitor lead in market. Knowledge of your competitor strength and weaknesses is the best thing which helps to change your strategy of business environment. Primark company increasing their business with knowing about which products are most lead in market. Expand of the knowledge in environmental changes gives more idea about which product is beneficial for business.

Technological Factor

Increasing the popularity of smart phone users, it is affecting the performance of many organisations. Uses of various online shopping app people are more comfortable with online shopping. Currently social media is the biggest platform for selling products. Primark also have online presence on social medial but lacking of online store presence is threat of this organisation. But due to it low prices and fashionable products are very great strategy for

maintaining the company sell. We all know changes in technology is directly impact the business activity, but applying some strategy it is very grateful for organisation success. Innovation of technology give improvement in quality of the product and more efficiency in transaction or supply process. Uses of technology will decrease the economic and social changes.

Information Technology

New technology will help to increasing the business environment performance. We all know that knowing about whole technology is difficult but it is very beneficial for organisation growth in recent market tends. Primark organisation using with technology they are increase their selling activity, market research activity, better productivity and operational activity etc. It helps to improve the business. According to recent market trend most of the organisation are prepared their website for online selling their products.

Environmental Factor

Every organisation has some responsibility to maintain the environment. Uses of proper resources and low wastage is the best way to decrease environmental issues. When the organisation starts business they have to prepare proper structure for better utilization of resources and recycle of wastage. Policies are created for avoid some kinds of resources which are not good for environment. Currently people are more believes in eco-friendly environment. Primary company always trying to do something better for the environment. Shifting in weather patterns and natural disasters is directly affecting the business's environment. Organisations are affected from various environmental changes. The economy fluctuates on every day basis, running with the changes is very important for surviving in huge market.

Globalization

This is the biggest and important economic phenomenon in today's business environment. It is the very large issue for business success, increasing competition in market will affect the business growth. Primark industry has huge market of cloths and accessories. Surviving in this competitive market this company is adopt policy like produce product with less cost and sells cheaper prices, it is increase the market sell (Khan, Hossain and Rabbi, 2018). Many organisations are applying different kinds of technique to fight with their competition in global market.

Legal factor

Before started any organisation business men has to know about legal rules and regulation. Changes in legal policy will directly affecting the business performance. Every organisation must be following the laws and rules which is creating by government. Company's laws like trading policy, salaries, wages, tax policy, insurance policy etc. It is very obvious that transportation charge will increase when the fuel prices increase, it is directly affecting the cost of the product. Safety of employee, workers working hour, rights of buyers is essential for organisation because these all laws are creating by government (Saudi, 2021). Changes in the laws of the related to the organisation means that it needs to alter its operations for working with the legal factors.

Cultural web

When the employee of the Primark company was asked some questions related to the organisational culture of the company, it helped in generating different insights. I was asked if she is knowledgeable about which culture is followed by the company. It can be analysed that maximum people have the idea about the culture followed within Primark. She expressed her thoughts about the culture being very tactical and strategic. Some employees believed it to be more organised however a great working environment (Martínez-Caro, Cegarra-Navarro, and Alfonso-Ruiz, 2020). Employees are happy in working together and making the customers of the company feel satisfied. Organisational culture are important as they represent the framework followed by the company along with the shared values and practices. The main focus of Primark is attaining the competition advantage and growth. Company is stable and in control. The market culture of Primark helps in putting more focus on the profitability. Each and every thing is evaluated keeping I the kind about the bottom line which is that each position works with a certain objective and it is important for it to align with the large goal of the company. There are different points of separation which between the employees and roles of leaders.

This organisational culture makes Primark very result oriented which will aim on the external success and not more about the internal satisfaction (Erthal and Marques, 2018). Market culture will put more stress on the importance of meeting the goals and reaching the targets to get the final results. When the employee was asked if this culture is good or bad, she was some mixed responses saying leading to some pros and cons of the culture. The advantage of using market culture is that it helps the company to generate maximum profit and do well

on the path of success. This culture makes the organisation be more externally focused and this itself is the main objective of the behind the work and progress of the employees. However, the disadvantages of this culture is that there are numbers along with every decision, project as well as the position present within the company. It becomes stressful for the employees to engage with their work in a meaningful way and fulfil the professional purpose in the process. Primark has to follow market culture to survive in its industry. There are many large companies which are leading in pack and this culture helps in competing and beating out the firms in comparison with Primark.

Market culture helps the company to always stay one step ahead as there is always competitors in mind and this culture leads the company to stay updated with the market trends and on going things within the industry. It helps the company to be ready to react at anything coming its way. Market culture also helps in driving the ambitious employees towards the company which are inspired by their leaders and have a constant focus on building skills and increasing their knowledge (Halim, Ahmad, and Ramayah, 2019). On the other hand, the team members are under constant pressure to achieve the desired results in a fast pace. This leads to over work where well being takes the back seat. It can lead to many negative impacts on the employees such as poor mental health, bad productivity and losing the team morale. With this high competitive environment in the market as well as in the organisation, employees stand against each other rather than working together. This can lead to create more dishonest situations in the work place. This can also create difficulty in successful collaboration and problems in team work.

Lastly, she was asked about the model of the culture within Primark which she has complete knowledge of the following cultural model.

Hofstede cultural model:

The Hofstede cultural model of the dimensions of national culture explains that there is a need to change the business and marketing strategies for the basis of needs of demand and local culture. For the local culture of this organisation there should be compromises for the values, norms and traditions of a specific region, country or community. There is strong influence on the company which is help responsible as it affects the fashion retailer remark for playing the sustainability card in the local campaigns and strategies. In this model five dimensions are discussed which plays an important role in shaping the culture of the organization. These dimensions are power, gender, uncertainty and time which helps the organization to think about the cultural value of dimension that helps with the continuum stages of the organisation. In Primark the organizational culture is so important that it follows all the power, gender and uncertainty and time factor. The power in this organisation is divided in the terms of the

structure. There is enough diversification in the organisation due to which the organisation has employees from different caste, gender, age and society. Due to this reason there are uncertainty in the culture of the organisation however the work rate of the employees helps in managing the situations in the given time (Åhman and et.al.,2019).

Ethical Dilemma and their solutions

Ethical dilemma is a problem in decision-making process between two possible options. These things we are facing in daily life but the other hand when it comes in business place it is very complicated challenges that cannot be solved easily. Ethical dilemma are specially affecting the workplace. Some companies are professionally using their ethical standards. At workplace people don't wanted to do any unethical mistakes but some time by mistake's employee do any mistakes which is affecting the ethical law of organization. Harassment and discrimination in the organization is very unethical activity (Anderson and Anderson, 2018). Such kind of unethical practices are affecting overall business environment. Almost every aspect of business can be become ethical dilemmas. This includes like relationship clients, business partners, co-workers etc. For solving of ethical problems companies and organization are set some standards for employees. Loyalty and truth are the best option for making good environment in organization. Every company are following their ethical norms. Businesses are provided ethical training to their employee, it very essential for managing good business environment. Better ethical practices is one of the keys to creating strong and well run organization. Proper resolution of ethical dilemmas gives efficient work, better productivity, operation activity, it helps to employee morale high, create strengthen leadership, and improve company profile at market place.

For Primark its corporate social responsibility is very important. However, this organization also faces some ethical dilemma in which it fails to complete the ethical responsibility. It is important for this organization to have ethics in its organization. Ethical dilemma occurs for this organization in its operations (Geppert, 2018).

Ethical dilemmas which Primark faces

People: This organisation has displayed good transparency as it is listed in 28 different countries. Due to which its supply chain is very strong. For ensuring the activities which its employees need to follow the organisation has translated its code of conduct 40 languages for assuring the that people have been able to understand it. Still, after all this organization have been held responsible for the following allegations. In a report it was concluded that in Sri

Lanka the employees were interviewed and this interview stated that none of these employees' experience was according to the code of conduct which this organisation had developed. These allegations which were found from these employees were also violating the local laws of the organisation.

For Primark the best solutions regarding this breach would be to change its operations in Sri Lanka and also increase the awareness of its Code of conduct in different countries even more than it actually does. The employee safety, health and importance are very crucial for the organisation to consider. For the organisation understanding the key requirements of the ethical responsibility towards the people working for it is very important (Wachs, 2017).

Environment: Primark has shown bad results when it comes to their ethical responsibility towards the environment. This organization does show some positive intention towards the environment. For which they have made some effort in which they have showed ways of improving their business operation so that the effects on the environment are less than before. This organization understood that what the key areas of environmental impact were. It needed to show its chemical management, sustainable cotton, energy efficiency, transportation and GHG emission. However, this organization failed to show any of the quantified or dated environmental reduction. This turned into an ethical dilemma for the organization. This organization needs to show that it is making more and more efforts for resolving the issues it is having in the organization. With the help of this the ethical responsibility of the organization will be able to be maintained (CFI Education Inc, 2021). This organization can try to increase its environmental responsibility by planting trees and making donations for animal care.

Conclusion

With the help of this project it can be concluded that Primark gets affected with the help of its organization's Pestle analysis in which the external factors and their effects are explained. This project also identifies the key drivers of changes which are responsible for changes in the business environment. In this project the cultural web is explained with the help of a developed questionnaire with the help of which the culture of the organization is determined and examined. In this project the ethical dilemma is explained and the two ethical dilemmas which have occurred in Primark are explained.

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