

Introducing to the Modern Workplace

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Essay

**Amazon – structure, culture, people and
organisation performance**

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Table of Content

<i>Introduction.....</i>	<i>3</i>
<i>History and Management.....</i>	<i>3</i>
<i>Organizational Structure.....</i>	<i>4</i>
<i>Organizational Culture.....</i>	<i>5</i>
<i>Hofstede Culture.....</i>	<i>6</i>
<i>Example of dimension of Hofstede.....</i>	<i>6,7</i>
<i>Mission, Vision and Leadership.....</i>	<i>8</i>
<i>Conclusion.....</i>	<i>9</i>
<i>References.....</i>	<i>10</i>

Amazon

Introduction

In this report will be analysed the structure ,culture and the organisational performance of Amazon.com. It will also contain the mission, vision and leadership that the company have. It will show the building blocks of the company and the management system.

History

Amazon was founded by Jeff Bezos in July 1994 in Seattle. This location is chosen because it has technical talent. From 1997 the organisation was already public. In the beginning Amazon was selling music and videos , then it started selling online books in United Kingdom and Germany. By 2012 Amazon was providing data on Web site popularity, Internet traffic patterns and other statistics for marketers and developers (Amazon Web Services) . The company also gave the opportunity to small businesses to sell their goods through the Amazon web site . Later on Amazon bought Kiva Systems to modify its inventory-management business, buying Whole Foods Market grocery chain 5 years later in 2017. (Mark Hall, 2019)

Management

At the core of all Amazon's business efforts is the Amazon management system, a software machine consisting of six building blocks that constantly and aggressively encouraged Amazon to expand and conquer the infinite sky of digitalage. Amazon's management system operates as follows:

Building Block 1: Customer obsessed business model

Despite their dedication to putting the consumer first, most typical businesses work very differently: they seem to be essential to rivalry. They pay quite a lot of consideration to financial results, specifically per share earnings, and dance at the short-term pace of the stock market quarter by quarter. (Ram Charen & Julia Yang,2019)

Building Block 2: Continuous bar-raising talent pool

Amazon's talent pool is clearly described and properly recorded and rigorously selected, along with total follow-up and input, ensuring that the talent pool itself is constantly elevated and the talent selection and retention process itself strengthens. Amazon has a dedicated and qualified individual named the "bar-raiser" in all interviews and assures that the recruit suits the atmosphere of Amazon and the current bar-raising operation. (Ram Charen & Julia Yang,2019)

Building Block 3: AI-data power and metrics system

Amazon leverages new technologies to conduct day-to-day activities differently. Amazon's data and analytics infrastructure is ultra-detailed, cross-silo, cross-layer,

end-to-end, real-time, input-oriented and AI-powered; all can be monitored, calculated and evaluated in real time with anomaly observed, insights produced and routine decisions automated. (Ram Charen & Julia Yang,2019)

Building Block 4: Ground breaking invention machine

The creativity engine from Amazon is relentless, growing and strives to produce innovative, game-moving and customer-based inventions that build new market areas and significant economic opportunities. (Ram Charen & Julia Yang,2019)

Building Block 5: High-velocity and high quality decision making

Amazon's decision-making is high-quality, high-performance and is strictly compliant with a collection of specifically defined standards and specially built products. This might render the company highly stressful, but it frees workers from all of the above-mentioned headaches. (Ram Charen & Julia Yang,2019)

Building Block 6: Forever Day 1 Culture

As a company, Amazon is dedicated to Day 1, which is to incorporate the size and scope advantages of a large business, the efficiency and agility of a start-up and the continuous development in corporate ability. (Ram Charen & Julia Yang,2019)

Organizational Structure

The corporate framework of Amazon.com Inc. provides extensive oversight of worldwide e-commerce activities. A corporate or organisational structure establishes the design and interaction system of the company's members. For example, the organisational framework of Amazon defines how managers steer and control activities in various business fields. Amazon has gained from an changing organisational framework by introducing more goods and slowly diversifying its activities. The system architecture complements the company's engineering base. Amazon's corporate structure is thus complemented by a determining factor in the company's ability to withstand the effects of competitors such as Walmart, Apple, Google, Microsoft, and other online and non-line businesses. In view of the aggressiveness of competition, structural characteristics need to strengthen the company to guarantee the continuous success of e-commerce. Via these tracking, project management strategies are enforced in depth. It is anticipated that potential features of the organisation framework would reflect client demands focused on modern organisational structures that are more complex.

The corporate framework of Amazon.com Inc. is efficient. This framework relies on market objectives as a basis for evaluating relationships between the company components. Amazon's organisational organisation has the following characteristics:Global function-based groups (most significant feature) ; Global hierarchy ; Geographic divisions (Paulyn Mayer,2019)

Global function-based groups - In Amazon's organizational structure the strongest characteristic are function-based teams. The major business function contains a dedicated group or team, together with a senior manager. The strategic purpose of having this structural feature is to enable Amazon.com to facilitate the successful management of e-commerce operations across the organization. Those are the main function-based groups in Amazon's organizational structure: Office of the CEO , Business Development, Amazon Web Services (AWS) , Finance, International Consumer Business, Accounting , Consumer Business and Legal and Secretariat. (Paulyn Mayer,2019)

Global hierarchy – This is a common organisational structural characteristic. In the case of Amazon.com Inc., such characteristic is expressed in terms of a world system of vertical lines of command and authority that influence the web retail firm. The important offices of the corporate worldwide are managed by senior manager enforced from the organization. The strategic aim of this organisational structure function is to promote managerial oversight of the entire Amazon organisation. (Pauly Mayer,2019)

Geographic divisions - Geographical sections often include the corporate framework of Amazon. Groups focused on regional areas and associated market goals are centred on this hierarchical trait. Amazon.com Inc. is, for example, leveraging regional branches to promote e-commerce distribution dependent on economic circumstances in some countries. The competitive goal of making this organisation's framework hallmark is to enable the organisation to resolve problems or questions relevant to each geographical area in the context of national market disparities. For this strategic function, Amazon has a clear strategy, with the following geographical divisions in its operations: North America and International (Pauly Mayer,2019)

Organisational Culture

“Building a culture of high standards is well worth the effort, and there are many benefits. Naturally and most obviously, you're going to build better products and services for customers -- this would be reason enough! Perhaps a little less obvious: people are drawn to high standards -- they help with recruiting and retention. More subtle: a culture of high standards is protective of all the "invisible" but crucial work that goes on in every company. I'm talking about the work that no one sees.” (Jeff Bezos,2018)

Customer-centricity

Amazon rates itself among the world's most customer-centered firms. Amazon mission statement is "to be Earth's most client-centric business, where cli'ents can search and explore anything they want to purchase online." One of the cornerstones in Amazon's corporate culture is the high degree of customer-centricity which has an effect directly on a number of organisational processes. (John Dudovski,2020)

Diversity among workforce

Valuing workplace diversity is put at the core of Amazon's corporate philosophy. The organisation is composed by GLAmazon , a gay and lesbian workplace partnership community, the Black Worker Network and Software Sector members. (John Dudovski,2020)

Amazon is a good illustration consider corporate culture fusion — the total convergence and coordination between the external brand image and the internal organisational culture that describes the global success. (Denise Lee Yohn,2018)

Hofstede's Culture



Hofstede's Cultural Dimensions Theory
(Google Images)

Professor Geert Hofstede published one of the most detailed analyses of how society affects corporate beliefs. Culture is described as the "collective programming of the mind which makes the members of one community or category of people different."

Professor Geert Hofstede, Gert Jan Hofstede, Michael Minkov, and their work teams are focused on the six dimensions of national culture. The implementation of this work in both scientific and technical management contexts is used worldwide.

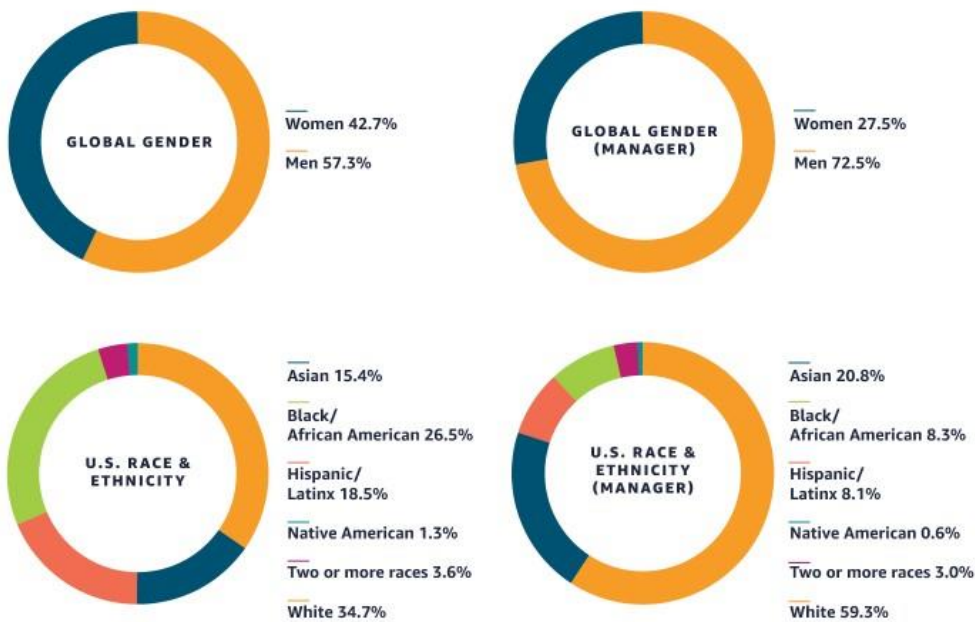
Three examples of Hofstede Culture in Amazon.com

IDV – Individualism vs Collectivism

Amazon's on track. This has a philosophy of direct selling and is a very resources oriented business who needs to control the whole supply chain, right down to warehouses and logistics. The reason for this is efficiency: the underlying idea is "what you do yourself, you do better." You might claim Amazon is such a really individualistic organisation. (Laurence Van Elegem 2019)

MAS – Masculinity vs Femininity

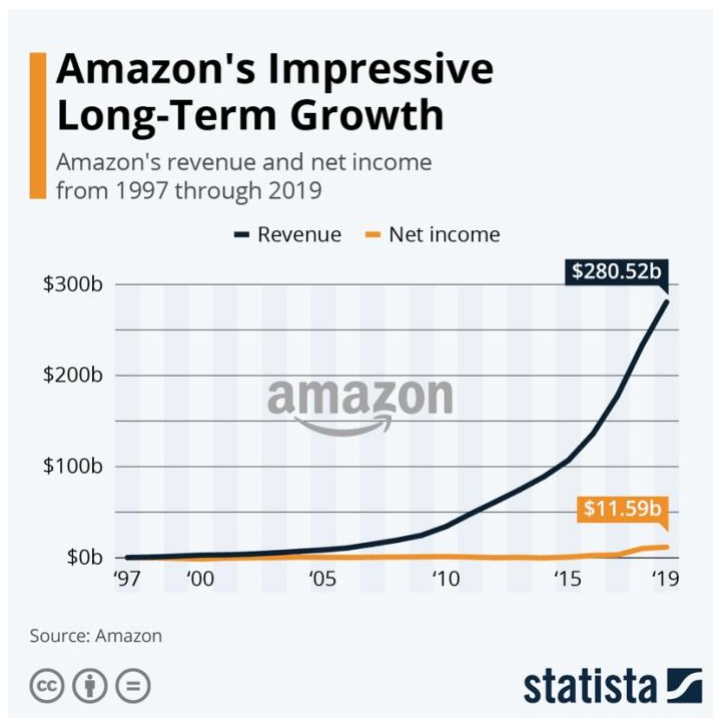
Amazon's global employees:



Statistic of Amazon Global Employee (Google Images)

LTO – Long term vs Short term Orientation

If one thing is famous for by Amazon's founder and CEO Jeff Bezos, it is his relentless emphasis on long-term growth. Bezos's ability to sacrifice short-term gains for long-term growth, having defied critics for years, has attracted a great deal of attention, converted his business into a multinational giant and made it the richest man in the world. (Felix_Richter,2020)



(Google Images)

Mission, Vision and Leadership

Mission

The primary focus of Amazon.com's mission statement has always been on the online costumers. Amazon.com has had a strong objective and a single goal since it launched in 1994. Founder Jeff Bezos publicly stated the mission statement of Amazon.com as the reference behind his decisions several times in the history of the company. (Barbara Farfan,2019)

The mission statement fulfils many of the traditional features of ideal project declarations. Included in the corporate project are, for example, target consumers and the industry, different goods and simple business goals (price and convenience). However, technology and the design of the business and its operations are not part of the organisation. To order to give employees and customers better understanding of what the company is about, we suggest that Amazon include specifics in its corporate project. (Lawrence Gregory,2019)

Vision

The Vision Statement of Amazon.com has clear characteristics, such as the company's target market definition and a marketing mix feature. This corporate vision only fulfils those traditional features of ideal vision statements, however. In order to ensure the suitability of all fields of operation, Amazon's corporate vision is succinct, transparent and abstract, for example. This dream of the company remains, however, insufficiently secure for the company's future. Amazon's company, for

example, now includes cloud services and bookstores. But e-commerce is still the subject of the company's vision statement. (Lawrence Gregory,2019)

Leadership

In addition, the leadership style of Jeff Bezos is unique in many aspects. For instance, "while you might consider other web companies that concentrate on their employees' a nice, comfortable environment, Bezos is demonstrating the power of another model – the coddling of his 164 million customers and not his 56,000 employees." The leadership style of Jeff Bezos can be examined by the contingency principle. According to the theory of emergency leadership, "The success of the leader depends on how the leadership fits into the situation."The Jeff Bezos leadership style has been described as rough, cut and tough. It can be argued that the leadership style was suitable at the start of the organisation when it needed to improve the role on the organisation quickly etc.

The principles of Amazon leadership found on the official site of the organisation consist of 14 points:

1. Customer obsession
2. Ownership
3. Invent and Simplify
4. Leaders are Right, A Lot
5. Learn and be curious
6. Hire and Develop the Best
7. Insist on the Highest Standards
8. Bigger point of view
9. Bias for Action
10. Frugality
11. Gain trust
12. Dive Deep
13. Have Backbone; Disagree and Commit
14. Provide results

The challenges of Amazon's leadership include maintaining the company competitiveness amid the current low profit margin. To date, this problem can be solved by innovating methods, deriving full benefits from human resources and actively entering new market segments. (John Dudovsky,2020)

Conclusion

Amazon's path from Seattle to a multinational organisation provides a crucial example of how strategic management is crucial in today's world of business. Amazon under the leadership of Jeff Bezos, passed the three tests of a winning strategy. Firstly, its emphasis on customers gives the organisation the plan for meeting the need for its business bases to be expanded. The business has rendered online shopping goods through strategic partnerships and technical advancement cost-effective, easy and convenient for customers. Second, it is in line with the role of Amazon in the e-commerce market. Last but not least, the switch by Amazon to diversification.

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