



University of Wales

Trinity Saint David

LONDON

Student Name:	Stephany Bennett-Grant
Student ID Number:	1913503
Module Name:	Workplace Culture and its impact on organisational efficiency
Module Number:	BMSW5105
Lecturer Name:	Rexon Nting
Submission Date:	September 06, 2021

Executive Summary

Company culture is their beliefs and values combined together. It is what sets them apart from their competitors. These cultures are beneficial to both employees and the organization itself. Businesses will need to relay these cultures to employees in order to achieve their objectives. There are many environmental factors that may potentially affect companies. It is therefore important for them to select the most appropriate tools to identify these problems. By doing so, they will be able to make informed decisions. Ethical dilemmas are very popular in the workplace due to specific guidelines set out by individual business. Finding a solution in these situations can be challenging but the approaches listed in section seven will lead in the right directions. William Hill's own culture and ethical dilemmas was analysed. Despite being hit by the pandemic they were able to successfully use the correct tools to analyse their culture which led them to a change. In the end they were able to maintain their present culture.

Table of Content

Introduction.....	Page 4
Company Background.....	Page 4
Environmental Analysis Tools and Techniques.....	Page 4-7
Company Culture.....	Page 7-8
Relationship between Company Present Culture and Financial and Non-Financial Performance.....	Page 9-10
Ethical Dilemma.....	Page 10
Recommendations.....	Page 10
Conclusion.....	Page 10-11
References.....	Page 11-12
Reflection on Module.....	Page 12

Introduction

The main aim of this report is to analyse the effects of external factors including covid 19 on the performance of the culture of organisations. The organisation chosen to be analysed in this report is William Hill bookmaker. This company was chosen because I worked for them previously for six years and have a clear insight into their operations. There will be seven sections included in this report. These include a background of the organisation, environmental analysis tools and techniques, an evaluation of external environmental analysis and an examination of the organisation culture itself. A comparison between organizational present culture, their finance and nonfinancial performance will be determined along with an illustration of ethical dilemmas within an organisation. Recommendations will be given that could help organisations identify and conquer any potential challenges that may arise. The benefits of these recommendations will be outlined as well.

Organisation Background

William Hill plc is a book maker that was founded in 1934. Their main purpose is to connect customers with their friends through sports and game experience. They are perceived as a trusted brand in the sports and gaming industry. With over 12000 employees, they are united by their values that state 'Go one Better'. Since 1966, they have been operating as a licensed betting office. The betting industry has been hit in recent years by major structural changes. The government introduced a £2 stake limit on the gaming machines in 2019. After that devastating blow to the industry, then came along the covid 19 pandemic. To deal with these backlashes, William Hill had to remodel their UK estate to ensure profitability, sustainability, cash generative footprint with strong foundation for the future of the entire UK business. In view of the William Hill brand, retail plays a vital role in the sustainability of their value. They have started to combine retail and online under one management team. They believe that this strategy will provide consumers with a seamless experience and reinforce retail for the future (William Hill, 2021). When sports was shut down, William Hill experienced decreased profits and the scrapping of their interim dividend. Despite that, they were still able to increase their shares by 5%. The value added tax of £201.6 million allowed them to see their pre-tax profits increase to £141.1 million, compared to £63.5 million in losses the previous year. Their revenue plummeted by 32% to £554.4 million and adjusted pre-tax amounted to £14.2 million, where the previous year they earned £50.8 millions in profits. This was due to the lack of sporting events and the temporary closure of shops during the pandemic. When the lockdown eased, the market was encouraged by trading. Online net revenue was leading by 16% while the UK retail net revenue was flat in the three weeks to June, by July trading was positive. William Hill was also able to cut their net debt. At that time it was £339.5 million and now it is £196.2 million lower than at the end of 2019 (Farah Y, 2020).

Environmental analysis tools and techniques

Pestel Analysis

Pestel analysis is an acronym that stands for political, economical, social, technological, environmental and legal factors. It is a tool used to analyse and monitor the macro

environmental factors that may have impacted the performance of organisations. When combined with swot analysis and porter's five forces a more clearer understanding of the internal and external factors is presented. Over time the pestle analysis framework has been expanded to factors such as demographics, ethical, intercultural and Ecologicals. Each factor will be detailed below.

Political factors

These factors are associated with the level of government interference in the economy or certain industry. Things such as government policies, political stability or instability, corruption, foreign trade policy, tax policy, labour law, environmental law and trade restrictions are all classified as political factors. When assessing the attractiveness of potential markets all the factors need to be taken into account.

Economic factors

These factors affect consumers purchasing power and could possibly change the economy demand and supply model. Economic growth, exchange rates, inflation rates, interest rates, disposable income for customers and unemployment rate are all included in economic factors.

Social factors

These factors are especially beneficial to marketers who are seeking out certain customers. It represents the demographic characteristics, norms, customs and values of the population within which the company operates. These factors include population growth rate, age distribution, income distribution, career attitudes, safety emphasis, health consciousness, lifestyles attitudes and cultural barriers.

Technological factors

These factors are the things that impact the decisions on whether to enter an industry, launch certain products or outsource production activities abroad. It focuses on technological innovation that may affect the industry or the market operations. Technological factors include research and development, technology incentives, the level of innovation, automation and the level of technological awareness that the market controls. If organisations have that technological knowledge they may be able to save on spending when developing a technology.

Environmental factors

Environmental factors are becoming increasingly important due to the scarcity of raw materials and the government setting pollution targets along with carbon footprint. Factors involved under the environmental scope include the weather, climate, environmental offsets and any climate changes affecting industries such as tourism, farming, agriculture and insurance. Any impact of climate changes can affect the operations of companies with the products and services that they offer.

Legal factors

In order to operate successfully, all organisations need to know what is legal and ethical. Companies that operate globally find it very complicated to trade due to each country having their own rules and regulations. Legal factors include discrimination laws, employment laws, consumer protection laws, anti trust laws, copy right and patent laws and health and safety laws. It is very important for organisations to have an awareness of any potential changes in legislation and how it will affect future business (Business to you, 2016).

Porter's Five Forces

Porter's five forces was developed by Micheal E Porter in 1979. It is a framework that assesses and evaluates the competitive strength and position of a business organisation. The concept of this theory is that there are five forces that influence the competitive intensity and attractiveness of the market. The porter five forces helps businesses to get a clearer insight of their strengths in their business future and current competitive position. This tool is often used in strategic analysis, which establishes indicators of whether a product or service will be popular. By understanding where power lies, the theory can be used to identify areas of strength, to improve weaknesses and to avoid mistakes. The five forces include:

Supplier power

This is an assessment of how easy it is for businesses to increase their prices. Supplier power deals with the number of suppliers of each essential input, uniqueness of their products and services, relative size and strength of the supplier and the cost of switching suppliers.

Buyer power

This involves assessing how easy it is for buyers to bring prices down. These include factors such as the amount of buyers in the market, the value of individual buyers to the organisation and the cost of switching suppliers. With a few powerful buyers, organisations can often dictate terms.

Competitive Rivalry

This area covers the amount and the competence of the competitors in the market. The competitors that offer undifferentiated products and services will reduce market attractiveness.

Threat of Submission

Where close substitute products exist in the market, the chances are very high of customers switching to alternatives due to price increase. This reduces both the supplier's power and the attractiveness of the market.

Threat of New Entry

A market that is profitable attracts new entrants which erodes profitability. If incumbents possess strong and durable barriers to entry then profitability will be reduced to a competitive rate (CGMA, 2013).

Porter's five forces have proven to be beneficial to organisations. It assists them in getting an insight into the factors affecting profitability within a specific industry. It also helps them with making decisions about their business future and whether to increase capacity in specific industries and developing competitive strategies (CGMA, 2013).

Cultural Web

The cultural web was developed by Kevin Scholes' and Gerry Johnson in 1992. It is an essential tool used to analyse and alter assumptions regarding a company's culture. It can be used to identify and align specific practices and beliefs with an organisation's preferred culture and strategy. An organisation's strategy and development is strongly determined by the culture and the environment. Managers who try to implement change into an organisation, find it challenging to break away from the systems, structures and routine already implanted in the company's culture and politics or individual relations, which plays a major role when deciding the strategy. There are six distinctive elements involved in the culture web model. These include the following:

Stories and Myths

This involves a discussion of events that have occurred previously with individuals in and outside of the company. These discussions include the communication between customers and stakeholders about the shape of the company's reputation, the stories told by people about the company to new employees, the knowledge people have about the history of the organisation and how these stories reflect the culture of the business.

Rituals and Routines

The expectations of employees on a day to day basis is considered as the routine. This is identified as the daily actions and behavior of each person within the organisation. These include the expectation of employees when they arrive each day, the experience that customers expect to receive from the company, elements that would be missed if removed from the routine and how these rituals and routines reflect the organisation's beliefs.

Symbols

This refers to the appearance of the company to the employees and person on the outside. Individuals will take into consideration a company's logo, office space, dress code and sometimes advertisement to identify their culture. The visual representations that may consider are the image associated with the company from the outside, the outlook of the organisation from the employees and managers point of view, the company-specific design or jargon that may have been used and how the organisation advertises itself.

Control Systems

This represents the system and pathway controlled by the company. Areas such as financial management, individual performance-based reward and quality control structures are controlled by organisations. The control system for businesses involves identifying which processes are strongly and weakly controlled, if the company itself is loosely or tightly controlled, are employees rewarded or punished for performance and identify the reports and processes used to keep control of specific areas.

Organisation structures

This indicates the hierarchical structure outlined by the company. This element identifies how hierarchical the organisation is, if the distribution of influences and responsibility is in a formal or informal way, where the official authority lines are and if any unofficial lines are identified.

Power Structures

This refers to an original power structure with responsible persons within the company. These include people such as a few executives, the CEO, board members and the entire management division. They are very influential over the decision making and generally have the final say. Under the section the person that holds the most power and the person that makes the decision on behalf of the company is identified along with the beliefs and cultures of those at the top of the organisation and the ways in which power is used within the company (Business Ball, 2020).

Company Culture

William Hill strives to build a culture of empowerment and improvement. Their goal is to combine employee engagement and listening strategy together by using employees ideas and creativity to act on their feedback. When the pandemic hit, William Hill had to use an innovative approach to engage with employees and implement changes in the way they communicate with

colleagues and provide clarity. The pandemic impacted the company significantly as around 70% of their staff were furloughed, where they continued to pay 100% salary. They were prompt in increasing their communications to provide reassurance and job security to staff, as well as focussing on colleagues' well being and encouraging remote working.

Well-Being

The feedback they received suggested that the pandemic had created uncertainties and it was affecting the wellbeing of employees. There was already a well-being strategy which was introduced in 2019 which was available to employees. In addition to that, they reminded staff of available resources such as an unmind app and employee assistance programme. They also raised awareness around a newly introduced lockdown learning series and virtual working modules which provided well-being sessions to employees. In realising the impact the pandemic had on the furloughed retail employees, William Hill introduced a series of webinars about managing anxiety.

People Strategy

As restrictions from the pandemic were lifted, William Hill acted on the positive feedback received from employees with regards to remote working. Many colleagues welcomed the opportunity to work from home and wanted to create a lasting and positive culture change retaining the best of what employees had valued in the crisis. The feedback was explored through the initiation of the 'Big Conversation'. This was done through a series of workshops and virtual engagements. Through the feedback, their refreshed people strategy was established, resulting in the introduction of three initiatives: Balance, Belong and Build.

Balance

Balance is identified in the goal of the refreshed people strategy, to establish a two-way, high-trust culture, tied with their values to empower employees to work in a flexible way that suits them. Colleagues will have the opportunity to choose the right work balance for themselves, whether it may be working from home or the office or working specific shift patterns and hours to suit them. William Hill has introduced mandatory training for all leaders to ensure that they are equipped and to operationalise and support the new ways of working.

Belong

Belong refers to the way William Hill celebrates differences. They believe that a vital part of their company's success is an inclusive and diverse culture. Since 2019 they have been progressing on gender diversity and at present they continue to support the pride community. Events such as black lives matter have illustrated to William Hill that more needs to be done to drive diversity and inclusion within the company. In response to this, they have created an environment where colleagues feel represented and respected for who they are across all levels of the business (William Hill, 2021).

Their mission was to achieve a cultural shift to ensure that they truly embody the company's 'On the same side' value. In achieving this, they have realised the need to have structure and strong leadership in place. They therefore appointed an executive sponsor of diversity and inclusion within the company. Along with this they established an advisory group that represented colleagues across the business. In gathering information, William Hill focuses on measuring where they are and where they want to be. They utilise their first ever census which consists of

demographic information such as identity, culture and socio-economic background (William Hill, 2021).

Relationship Between Company Present Culture and Financial and Non-financial Performance

The year 2020 has been challenging for William Hill as the covid-19 pandemic affected them significantly. They quickly had to adapt an agile approach to ensure the protection of their business, employees and customers while maintaining their commitment of sustainability and progressing against four key areas:

- Protecting customers and driving safe gambling
- Building a strong culture of empowering and improvement to engage colleagues
- Operating with integrity
- Making a positive contribution to the community

In January 2020, employees engagement events including leadership events commenced. This event brought William Hill strategy to life and focussed on areas of improvement, which included safer gambling. Safer gambling involves employees doing all they can to ensure customers are in control of their spending, identifying the persons at risk, effectively intervening and empowering colleagues to take decisive actions to help customers. There have been major changes throughout 2020 in William Hill's operation in encouraging safer gambling. A recent survey of employees showed that 86% of them agreed that William Hill has committed to player safety. In the first quarter of 2020, William Hill's main priority still remained to be protecting their company, employees and customers. Retail shops were closed by the end of March requiring 70% of the workforce to be furloughed while office staffs worked remotely. William Hill took action by protecting their furloughed employees' jobs and topped up their wages to full pay.

After receiving a cash offer from Caesar Entertainment Inc in September 2020, William Hill acquired a significant protection and concession deals for their employees. This involved the favourable treatment of employees along with allowing the existing terms and conditions to remain in place until 2022. William realised that this transaction could create uncertainties among workers so they established a comprehensive communication programme. This included calls between senior leaders and colleagues throughout the entire transaction process. After the reopening of retail, customers' visits to shops increased. William Hill was committed to taking extensive measures in keeping colleagues and customers safe. They decided to repay the job retention scheme money amounting to £25.4 million back to the government due to great performance they had and the decisive action they took to safeguard the business.

Building a strong culture of empowerment and creating an integrated employee engagement and listening strategy is among one of William Hill's cultural objectives. Despite the extraordinary circumstances during the pandemic, the company's employee net promoter score increased by 25 points and their engagement and empowering score improved by 6% points compared to the previous year. This reflects on the time and effort William Hill has put in to engage, listen and act on their employees feedback. This feedback was used to establish their refreshed strategy resulting in the three new programs introduced, balance, belong and build. Operating with integrity is embedded in their culture and reinforced in their operations. Their goal is to be transparent to their stakeholders when addressing them. William Hill have

continued to contribute to society by giving £85.4 million to sports sponsorships, reducing CO2 footprint and their continued support to charity (William Hill, 2020) .

Ethical Dilemma

An ethical dilemma refers to conflict between alternatives, where any option chosen will compromise some ethical principle and lead to ethical violation (Hedge S, 2021). Examples of ethical dilemma include:

- Taking credit for others work
- Offering client a worst product for your own profit
- Utilising inside knowledge for your own profit

Ethical dilemmas often occur in the workplace due to the fact that many organizations adhere to their own code of conduct and ethical standards. Any violation of these can result in discipline sanctions. In resolving ethical issues, companies need to reinforce very high ethical standards for their employees. The most difficult aspect of dealing with ethical dilemmas is that there are no obvious solutions offered. There are specific approaches needed to be taken when resolving these dilemmas. These include:

- Refute the paradox: analyzing the situation carefully
- Value theory approach: select the alternatives that offers the greater good or lesser evil
- Find alternative solutions: issues can be reconsidered to find alternative solutions in some cases (CFI, 2021).

Businesses such as William Hill who operate in the gambling industry have a responsibility to ensure that crime is kept out of gambling and any gambling problems should be tackled. In doing this, they must be constantly informed about the origin of money coming into the business. Ethical dilemmas faced in William Hill are:

- Protection of vulnerable customers
- Prevention of money laundering
- Protecting consumers (Monaghan A, 2018).

Recommendation

In dealing with the above dilemmas at William Hill, it is recommended to strictly follow the government regulatory guidelines which includes:

- Ban online gambling with credit cards
- Ban reverse withdrawals
- Bonus offer restrictions
- Reality (time check) check requirements

It is also recommended to engage in the gambling act review to ensure that any new regulations work along progress made by the industry and provide clarity and certainty for customers, operators and all who work in the industry (William Hill, 2021).

Ethical training for employees needs to be given as well so they can be familiar with the ethical guidelines.

Conclusion

A company's culture is very important to both the organization and the employees. It plays a significant role in creating a happy and productive environment. The culture of a company

needs to be constantly analysed and evaluated to identify the most appropriate communication and leadership styles and the performance of the organization. A pestle analysis is a very useful tool for businesses as it helps them to identify the external factors that could have potential impact on decision making in their company. In gaining clearer insights of these external factors, organizations can make the most of their opportunities and diminish threats. Porter's five forces and cultural web are other useful tools that businesses can use to analyse a company's external factors. The porter's five forces provides an analysis of the organization's competitive environment while the cultural web is used to analyse the culture of the company. It is important for organizations to establish the relationship between their culture and performance as this helps them in measuring their employees' performance and how well they engage with them. All organizations have specific rules and regulations that they need to follow. In understanding ethical dilemmas, they are more able to resolve situations as they arise. This in turn allows the company to run efficiently, maintain colleagues morale, improve their leadership styles and boost their image.

References

Business Ball. (2020). Johnson and Scholes Cultural Web Model, 1992. Available at: <http://www.businessballs.com/strategy-innovation/culture-web-johnson-scholes/> (Accessed: 01 September 2021).

Business to you. (2016). Scanning the Environment: Pestle Analysis. Available at: <http://www.business-to-you.com/scanning-the-environment-pestel-analysis/> (Accessed: 31 August 2021).

CFI. (2020). Ethical Dilemma. Available at: <http://www.corporatefinanceinstitute.com/resources/knowledge/other/ethical-dilemma/> (Accessed: 02 September 2021).

CGMA. (2013). Porter's Five Forces. Available at: <http://www.cgma.org/resources/tools/essential-tools/porters-five-forces.html> (Accessed: 01 September 2021).

Farah Y, (2020). Shares. Available at: <http://www.sharesmagazine.co.uk/news/shares/william-hill-jumps-on-the-post-lockdown-performance-and-debt-cut> (Accessed: 03 September 2021).

Monaghan A, (2018). William Hill fined £6.2 million by gambling commission. Available at: <http://www.theguardian.com/business/2018/feb/20/william-hill-fined-62m-by-gambling-commission> (03 September 2021).

William Hill PLC. (2020). Sustainability. Available at: http://www.williamhillplc.com/media/13901/william-hill_2020-sustainability-report.pdf (Accessed: 03 September 2021).

William Hill PLC. (2021). Our Culture. Available at:
<http://www.williamhillplc.com/sustainability/our-culture/> (Accessed: 02 September 2021).

William Hill PLC. (2021). With 1,414 licensed betting offices (LBO's) nationwide, William Hill remains a familiar presence on uk high streets. Available at:
<http://www.williamhillplc.com/about-us/our-business/retailer/> (Accessed: 30 August 2021).

Reflection of the Module

At the beginning of this module I was not clear on what exactly company culture was and how it could affect the efficiency of an organization. As the weeks went by I began to see a clearer picture on the definition of company culture, how it is measured and how the relationship between it and performance is established. I have learned that the culture of a company is what represents their image, not only to their customers but their employees as well. An organization strives to create a culture that embraces their characteristics and personality. It is important for companies to relate these cultures to their employees in order for them to achieve the same goal. A strong company culture is able to attract the most sought after talents and retain them. When it came to using environmental tools to analyse company culture, that was a puzzle to me. I now see the visible link in identifying those external factors that may potentially harm businesses. There are many strategic analysis tools used by companies, but there are three that I have engaged with, These are pestle analysis, porter's five forces and cultural web. The pestel analysis uses a framework to analyse the macro environmental factors that may potentially affect the company's performance. These include the political, economical, sociological, technological, environmental and legal factors. Porter's five forces focus on analyzing the organizations' competitive environment. The cultural web is used to analyze the company's culture for change. These tools are vital to organizations as it helps them to make an informed decision in their business situations. When the topic ethical dilemma was introduced in class, I had knowledge about what it was. What I didn't know is how deep it goes. Everyone is faced with ethical dilemmas throughout their lives. Making an ethical decision is not as straightforward as I had thought. People will make unethical decisions and probably think to themselves that they are not physically harming anyone. When making these types of decisions there are certain approaches that are necessary. These include a clear analysis of the situation, a choice of alternative that offers greater good and a reconsideration to find new solutions. All these elements above play a key role in the effective operation of any business. I now feel confident after completing this module, I have an informed knowledge about company culture and its impact on organisational efficiency.