

**WORKPLACE CULTURE AND ITS IMPACT ON ORGANISATIONAL
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NANDOO'S**

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EXECUTIVE SUMMARY

Organisational culture is a set of traits that makes organisation what it is and affects all aspects of the business. However, if the business prioritise culture, changes in their business environment come out stronger and makes the company unique. On the other hand, not every company culture is the same and must be reformed.

To shape organisational values, the management influence the culture to extent. The external environment impacts the operations of a business therefore the business must adapt to changes. Globalisation is a combination of external forces shaping environment. But organisations internal environment affect organisation as whole. They both influence organisational activities and decision making.

Therefore, managers of the organisations need to be cautious about the environment changes because it can affect companies' operations positively or negatively. They must use relevant information's that shows the analysis of their organisation's environment based on their understanding they will be able to use appropriate strategies.

Creating high performance company, leaders will need clear vision for the future. If organisations want to improve morale and trust within their company, they will need to change hiring practices and fairness of internal procedures. Create ethical leadership and support employees because when they feel organisation treat them fairly, they feel more motivated thus the culture will become positive. "In summary, using questionnaire to measure company's culture is appropriate especially if the purpose is to compare and highlight cultural differences across organisations drawing on the same issue in each." Ashkanasy. et.all. (2011)

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INTRODUCTION

The purpose of this report is to identify how external environmental factors and ethical dilemmas affect organisational culture and performance along with Covid-19.

Generally, businesses cannot control external factors of an organisation however they can react to them and make better decisions and to help it remain successful. The external environment such as political, economic, sociological, technological, legal and environmental along covid-19 pandemic can influence an organisation's performance significantly and they can cause direct and indirect effects on business operations, personnel, and revenue. For example, due to Covid-19 pandemic is making organisations continuously review the environment to lessen the risk or to identify opportunities and move forward.

The culture in the hospitality sector focuses on how teams are created, on problem solving skills and how decisions are made to provide industry experts understanding of how teams function within hospitality industry and the close look at teams dynamic. More specifically, the culture of an organisation is exactly what makes employee feel as though they "fit" within a workplace as this can affect employee's happiness, motivation, and productivity.

Organisational culture shifted during the covid-19 pandemic as the changing environment forced organisations to improve quality and safety, so they emphasise culture as it depends on its growth and success. Therefore, organisations must establish a culture that will make employees feel appreciated and have the desire to grow and work as a team member.

Organisational performance is the output of a company measured against its output and therefore depends on leaders' ability to create a cooperative working environment also their ability to lead a team where the effective results require emotional engagement and empathy. (Contu 2020)

Ethical dilemmas in general are good for businesses because it challenges everyone to make difficult decisions and do not offer an obvious solution that would comply with ethics norms. As an example, one of major cause of ethical problems in business is management pressure.

Performance is determined by the ability of a company to implement organisational goal in terms of offering their product or service that meets customers' expectations together in combination of both financial and nonfinancial aspects of an organisation.

Covid-19 certainly impacted organisational environment, culture, performance, ethical dilemmas, supply chain and sustainability

1. NANDOO'S

Nandoo's is an international chicken restaurant chain that specialises in flame-grilled peri-peri style chicken. Previously called "Chicken Land" and later renamed Nandoo's after Fernando Duarte's son. Founded in 1987 by Fernando Duarte and his friend Robert Brozin in Johannesburg. Nandoos operates over 1000 outlets in 20 countries. On the other hand, the company is now owned by Dick Ethowen and his family. The first restaurant in the United Kingdom, in West London in opened in 1992 focusing on takeaway food and later as mixed service with counter ordering and table service. The United Kingdom is one of Nandoo's largest markets. Nandoo's preference in locations are large retail centres.

The chicken is trimmed of all fat, so it is one of the healthiest in the market, but their weakness is that the restaurant is not attractive to vegetarians.

Nandoo's market segmentation focuses on two key variables:

- Demographic Segmentation
- Geographic Segmentation

Target groups are chicken lovers, families, youth of middle and upper age from 13-34 because the combination of popularity and good food. Loyal customers promote their brand on various social media. Nandoo's become certainly successful, and they are into expanding their business. Company's top competitor is Wagamama.

The employees at nandoo's are very friendly and customer oriented their chefs are trained so whichever Nandoo's people dine at, the chicken tastes the same. Nandoo's is using several suppliers and all their chickens are fresh.

Suppliers directly impact the company negatively when they do not deliver on time expected. Nandoo's is offering meals at affordable prices but after Covid challenges they dishes cost increased.

- ◆ Nandoos mission is to ensure customers leave their outlets having had the best possible experience.
- ◆ Pride, passion, courage, integrity and most of all family, are the 5 things
- ◆ Nandoo's are committed to do business in an ethical and sustainable way.
- ◆ Their strategies involve increasing the number of plant-based menu items, switching to renewable energy sources and helping suppliers to reduce their environmental footprint.
- ◆ Nandoo's also integrated Marketing Communications (IMC) a very effective IMC strategy.

2. BUSINESS ENVIRONMENTAL ANALYSIS TOOLS

◆ PESTEL

Strategic tools companies use to track all the external elements, which can affect the organisation's performance. There is a wide range of analytical tools to analyse business environment in organisation such as SWOT Analysis which focuses on internal factors, Cultural Web focuses on culture influences, Pestle focuses on external environment or Porter Five Forces, but the most used detailed analysis is Pestle analysis for factors outside of business control. Pestle stands for six external factors: political, economic, sociological, technological, legal and environmental and each of these factors may be different to different companies. The advantage of Pestle analysis is to help organisations to understand how external factor can help companies in the long-term effect on performance, review strategies or launch a new product or service.

◆ PORTER FIVE FORCES

This macro model identifies and analysis five competitive forces that shape every industry and helps to determine an industry weakness and strengths. Can be applied to any sector of the economy to determine the level of competition within industry. It is critical to know who the competitors are and how they might affect the business. It also assesses the number of suppliers, customers, pricing. The goal is to identify the opportunities and threats that could impact business. Bargaining power of buyers the pressure customers put on businesses to get them to provide better quality products, services and lower prices. Bargaining power of suppliers observing how suppliers put pressure on organisations by raising prices, lowering quality or reducing the availability of products. Threats of new entrants. Threat of substitute products or services threat affects the profitability because customers can choose to purchase substitute instead. Rivalry among existing competitors can limit profits and lead to competitive moves, price cutting, service or product improvement

◆ CULTURAL WEB

Powerful management and organisational tool that helps with strategic analysing of a company like understanding the attitudes and routines of employees, and how each element of companies' culture has a direct impact on the performance and success. It is important to understand this tool and how it can help company succeed.

3. ENVIRONMENT EXTERNAL ANALYSIS – NANDOO'S-PESTEL

- ◆ **Political factors** assess how government policies interfere in the business such as laws, health and safety, tax, trade policies, labour law, environmental law and more.
 - Political stability ensures how much business will flourish. Government policies changed and company had to adapt to these changes during Covid-19. Restrictions on trading have impacted restaurant turnover.
 - Health and safety regulations such as food quality and hygiene must be ensured while cooking, packing and delivering.
 - Tax reforms – goods and services VAT increase of purchases.
- ◆ **Economic factors** help achieving their goals.
 - Inflation rate on raw materials and ingredients result in high prices thus affecting the menu.
 - Consumer disposable income when more people it out the better revenue is.
 - Lack of labour within its supply chain and restaurant leading to less profit for the owners.
- ◆ **Social factors** help the businesses with supply demand model.
 - Organic food growing awareness, this might affect the growth of the restaurant.
 - Busy lifestyle of people increased, and people are more into ordering food instead of cooking.
- ◆ **Technological factors** influence the production, distribution, and communication operations.
 - Technological advancement – accepting payments via smartphones, ordering food online. Automation is the future of restaurants.
 - Promotion strategies to reach more people quickly using direct marketing on Facebook, Instagram and twitter.
- ◆ **Environmental factor** -crisis has given rise to awareness about environmental factors.
 - Cleanliness also recycling, and waste management.
 - Collaboration with government in terms of lowering the risk of environmental damage.
- ◆ **Legal factors** – the breach of government policies.
 - Changing legislations -when the business wants to grow and expand, they need to change their strategies.
 - Food quality and hygiene are crucial factors for restaurants.
 - Minimum wages of the employee are important aspect

INDUSTRY ANALYSIS – NANDOO’S-PORTERS FIVE FORCES

◆ Threat of new entrance

- Nandoos has its name so new entrants’ threat is low as there are a lot of market for the chicken food industry, but nandoo’s advantage is they use fresh chicken with lot of various flavours.
- Nandoo’s is concentrated on their culture and being best so it will be difficult to compete with them.

◆ Supply power

- Fresh chicken through several suppliers
- Various supplier available as the nandoo’ requires huge volumes of raw materials.

◆ Buyer power

- Customers demographic
- Niche market which caters for the lovers of spicy food such as young people and adults.
- Nandoo’s chicken is the best and different so customers will not want to go to other restaurants.

◆ Threat of substitute

- Those who enjoy eating at Nandoo’s will always come back.
- The price factor is very important to not to lose the customers.
- Cooking sauces, marinades, peri-peri sauces.

◆ Competitive rivalry

- Brand name
- Quite healthy
- Reasonable prices
- Wagamama

4. ORGANISATIONAL CULTURE

Organisational culture is an important part of why workforces choose to work for a company for the long-term.

“Culture is a tool created and used by group of people to help them to survive and achieve their objective. Ostroff, Kinicky, and Tamkins (2003).

Organisational culture is the collection of shared values also beliefs within organisation.

However, different restaurants do not share the same values as they want to differentiate themselves from competitors. Evidently, the key factors in an organisation include its history and environment as well as the people who lead and work for it. Specifically, the culture of an organisation is exactly what makes employees feel as “fit” within a workplace, which can affect their happiness, motivation and productivity. Therefore, organisations should provide a culture that adopts a sense of unity and encourage interactions between managers and employees because these days it is more important than ever as businesses face unprecedented challenges in attracting and retaining their employees.

The evidence from Strategy Institute for Thought Leadership that suggest that core values directly collate with business financial performance.

Research on types of culture in restaurants suggests that a culture that strives to be an extended family for the employees has been more frequented for independent restaurants (Robbins, Decenzo, and Coulter, 2011). It has also been stated that restaurants to use this style are better prepared to provide the best customer service (Koutroumanis et al., 2009).

The cultural web is a powerful management and organisational tool used to map culture of an organisation and change their culture. Helps with understanding the attitudes and routines of employee. The key is breaking down analysis into six elements. The process is time consuming, but it gives comprehensive assessment of nandoos culture.

Phrase by the McKinsay organisation, that culture is “how we do things around here.”

Organisations core beliefs and motivation are supported by six cultural influences that look into future culture based on questions. People who work at nandoos are like extended family. The Nandoos company was in March 2010 awarded first place in the Sunday Times for being the best companies to work for in the United Kingdom. (White, 2004 and Grant, 2002).

CULTURAL WEB MODEL-NANDOO'S

◆ Stories

- employees describe Nandoo's as fun, friendly, like extended family, this is how they understand and explain themselves.
- Concerns about work changing arrangements due to being understaffed.
- Customers describe Nandoo's as lovely and helpful staff, good food and alright prices.
- Nandoo's is a story of discovery, passion and ambition

◆ Routines and rituals

- cash handling
- customers expect speed of service
- employees expect great working environment

◆ Organisational Structure

- Private organisational structure

◆ Symbols

- Specific language used for example employees are called nandocas, chef is griller, manager pareto.

◆ Control system is how an organisation controls how are things done, goals, regular monthly meetings,

5. ORGANISATIONAL CULTURE AND EXTERNAL FACTORS

The United Kingdom food industry experienced during Covid-19 disruption across its supply chain due to staff shortages and isolations and Nando's was left without its products. As a result of this, the company was forced to close temporarily. Nando's managed to get through without making redundancies.

Furthermore, the economic impact like obstacles to profitability, Covid 19 changed social practises in restaurant environment because government implemented measures that was necessary for adjustments to a standard restaurant business model. For example, redesigning sitting arrangements or prioritizing outdoor spaces. Nando's adapted to this new environment by finding new ways to reach their customers for online ordering business model. Health and safety measures approaches based with facts and statistics and proper communication. Employees needs to understand what is expected from them and being led by example.

Technology advancement nandoos adopted and transformed its customer ordering experience. Many orders are now placed digitally at their restaurant compared to zero pandemic. Positive change they now operate in and are thinking about future.

Sustainability is a big part of the environmental impact on nandoos food business, and they are doing everything to keep that impact low. Nando's is making sure they are sourcing food responsibly. Everything they buy must meet the high standard of responsible and ethical sourcing. They are also working towards targets that will reduce salt, sugar, and saturated fat in Nando's food, so it does not impact healthy lifestyle choices. Their food policy cover everything from sustainability to health and wellbeing.

All packaging must recyclable, our policy state clearly.

Nando's mission is to be palm oil free; they are in a process from removing it from all their ingredients also Nando's wanting to expand plant-based menu as their main menu is chicken.

Grow and expand nandoos believe its purpose is to change life's together and work hard to develop programmes in their everyday operations specifically their people, their supply chains. Their goal is to limit environmental impact, for example carbon footprint.

6. ORGANISATIONAL FACTORS AND PERFORMANCE

Organisation goals and objectives.

Company benefit from culture. Organisations with strong culture have much happier employees so when employees are happy working in the organisation, they help the business to be more productive. Managers measure and control organisational performance because it leads to better assess management and increase the ability to provide customer value, also to improve measures of organisational knowledge. Measures of organisational performance do have an impact on an organisation's reputation. Organisational performance involves analysing company's performance against its objectives and goals. In other words, organisational performance compromises real results or outputs compared with intended input.

Financial performance measure of how well a company can use assets from its primary mode of business and generate revenue and market performance the alignment between the marketing teams stated goals and objects against actual result.

Nonfinancial performance is measured by employee satisfaction, service quality and customer loyalty as this can better information on the specific actions needed to achieve strategic goals. For example, workforce development, launching new quality products, on time delivery, efficiency or productivity. These measures support the financial performance of a company.

Covid has changed performance management

Organisations with performance-centric cultures experience better financial growth.

According to (Guerrier and Deery, 1998:149) research into HR issues into hospitality industry that organisational culture has been directed to two broad issues such as several studies have examined the relationship between organisational culture and performance and that it could be called an optimistic agenda.

Financial Performance – Nandoo's

Nandoo's Chickeland Limited latest financial report submitted on 23-02-2020:

- ◆ Turnover of £801m
- ◆ Gross Profit of £196m
- ◆ Cash £16m

Compared to the previous year

- ◆ Turnover increase of 2.75%
- ◆ Gross Profit up by 1.66%

This shows that Nandoo's financial performance over given period is doing well in that challenging year. This tells a lot about the well-being of a company. Gross profit determines the profitability and financial performance of business. It reflects the efficiency in terms of making use of its raw material and the cash they can use to perform economic actions like buying or paying debts.

Nonfinancial Performance – Nandoo's

- ◆ Sales
- ◆ Cost of goods
- ◆ Profit
- ◆ Customer satisfaction
- ◆ Employee satisfaction
- ◆ Quality

Strategic management focuses on planning for the whole company that involves future of the company. Nandoo's is using market leader strategy that enables organisation to attract and retain workers with required capabilities in order acquire the opportunity to increase the productivity of the workers.

7. ETHICAL DILEMMA

Complex workplace situation

An ethical dilemma is an issue, problem or concern in your decision-making process in which neither choice people make offers a great outcome. Moral standards and principles by which individuals and organisations use to guide their decision making. For example, the Covid 19 impacted every business around the world and self-isolations together with distancing has affected restaurants as they had to choose between closing completely and leaving employees without wage or stay open for delivery and takeout.

Ethical dilemmas in Nandoo's

Covid 19 pandemic outbreak posed many ethical challenges in the methods used in its management. Restaurants adapted with safe food handling, but they had to consider also health and safety for their employees. As they started reopening, they all had to also make difficult ethical decisions such as whether it is worth risking their health and reopen but closing would be hard for those who are employed at restaurant businesses as they still need to pay for rent and other things. Many restaurants reopened for ordering online and delivery only. Nandoo's restaurant is committed to business in an ethical way.

The ethical responsibility of restaurants to their employees was providing safe workplace to general support for employee wellbeing. There was lack of clarity and communication about policies and procedures to prevent exposure to the Covid-19 virus, what steps were put in place, and how they would be enforced.

One example is when staff scheduling is unethical is when the employee request to work shifts for some reasons and it is unethical when managers create schedules based on who they like or dislike. All employees should have equal opportunities.

Food safety handling in restaurants for example when the manager finds out the refrigerator is not working and does not know for how long thus another example of ethical question is, whether to keep the food or not.

An ethical decision is defined as "a decision that is both legal and morally acceptable to the larger community" whereas an unethical decision may be regarded as "either illegal or morally unacceptable to the larger community" (Jones, 1991, p. 367).

RECOMMENDATIONS

For managers to be successful they should have interest about how to motivate people to perform to the best of their ability. It is important to understand everything about their employees and practice democratic leadership. Employees need to feel as part of an organisation and have clear expectations. Accurate information's including potential risks. In order to solve ethical issues, organisations should develop strict ethical standards for their employees and ethical training.

CONCLUSION

Strong organisational values must be established within the business. Treating employees with respect is part of creating value in strong workplace culture. Respecting individual differences will benefit the workplace by increasing work productivity because individuals will feel inspired to put hard work efforts and perform well.

Diverse work teams bring high value to organisations so benefit the workplace.

There are various ways through which a strong organizational culture can be achieved and various reasons as to why organizational culture needs to be changed from time to time.

One significant reason as to why change should be incorporated is to motivate people in their work areas or lack of work morale, business changes like new product development.

Culture brings in a large impact especially to the growth and development of an organization and significant point to note is that culture aids an organization in coping with its external environment.

INDIVIDUAL REFLECTIVE

I have enjoyed every everything that was taught in this module, how was everything explained because I did not have to even ask questions and learn the rest on my own, taking notes and trying to actively listen.

To begin with my reflection on my experience on workplace culture and its impact on organisational efficiency module I have gained better understanding about business organisations. There is nothing worst then starting a new job and find out that the company culture is not what I have expected as happened to me once and the only way out for me was to rather leave. However, not all cultures are the same.

Furthermore, what is the relationship between workplace culture and performance and how does culture affect the performance? What makes positive workplace culture, there are many different cultural characteristics in every company. Organisational culture affects all aspects of the business. I will describe the company's culture where I have worked before Covid -19 as an administrator for one company where was relaxed and friendly culture. Very lovely place to work, focused on working and supportive management. I felt very happy to work there as other employees. It is obvious that the culture where everyone unites makes a big difference in people's job satisfaction and therefore better productivity.

In order to achieve success in business organisation it is vital to gain the knowledge about organisational culture and factors and how they affect companies' environment. Environmental knowledge gives a lot of benefits and advantages, especially during critical times. It important to know how to create strategy based on the knowledge to reduce business threats and take advantage of opportunities to improve the organisation. The organisation and its environment exchange information between themselves.

This module has helped me to recognise what is the first step to build a great company culture and what is the first step to get to know about the company also how values are important when businesses trying to change company's culture. Also, what analysing techniques to use to get the knowledge about organisations a to make the right decisions such as Cultural Web, Pestle analysis, Porters five forces. In relation to build a great company if workplace is to start focusing on positivity on daily basis and support employee's wellbeing and the positive culture will grow and thrive.

Ethical culture can be created by manager by being visible role model. Understanding ethical dilemmas is very important because they are very common in business and there are many potential sources of ethical conflicts in business, so the knowledge is helpful in exploring conflicts from different point of view. Anyone can become involved in ethical issues and may pose a risk for an organisation even they may not have legal consequences. For example, health and safety where everyone has a right to work safely, or favouritism due to connection to that employee, which can result in reducing productivity, or environmental responsibility where is important to act responsibly towards employees and environment.

Organisation culture creating sustainable culture in an organisation by fostering a culture of sustainability when the culture is unhealthy. Choosing to incorporate sustainability into company's culture can protect business operations for the long term. To ensure how to establish culture sustainable employers should outline priorities that define goals and direct efforts. Sustainability has now expanded to policies and practices that also create and preserve a business culture of wellbeing. The goal is to stay sustainable sound and socially vital.

Crucial factors of a successful culture are the mission, vision and values of the organisation or core values, traditions, attitudes, behaviour, and beliefs shared within its workforce. Culture impacts its employees and is important in company's success or failure since it depends on cultures shared values which might be as well different from others. What is important to remember is that employees are asset of an organisation and culture drives employee engagement and satisfaction.

Barriers to effective functioning of an organisation is vital to change. For example, poor communication can create toxic atmosphere while good communication can foster teamwork, and this is one of the biggest barriers to change the attitude. I have learned about six silent barriers and crucial laissez fair management style which if it is not transformed into capability none of the others can be transformed either. Laissez fair leadership style encourages innovation because all decision making depends on employees, but the disadvantage is that they can also confused the employees about their roles.

Furthermore, organisational health index that helps leaders to analyse the impact of culture on performance and create a road map to improve it provides leaders with detailed picture of their organisation. "This assessment tool is based on surveys on effectiveness and performance that helps to form a strategy for the future improvements. "Mckinsay.

Global implications on an organisational culture, doing business in various countries allows companies have higher earnings but also it brings many problems. For example, organisations must make sure that their employees in other countries have no problems with company's operation procedures because every foreign country has its own way doing business, so Internationale businesses deals not only with foreign businesses but also foreign cultures. Therefore, the impacted functional areas can be for example marketing or production.

To sum up this module, my understanding is that only positive culture reduce stress in employees and therefore it improves teamwork, raises morale, increases productivity and efficiency. Positive impact of strong culture affects all elements of sustainable success in business due to making it easy for employees to communicate openly and communication is the key to better understand people and situations.

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