

*Workplace Culture and its impact on
Organizational Efficiency (BMSW5105)
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EXECUTIVE SUMMARY

To perform this study Easy Jet airlines has been taken into consideration. Easy jet is a British multinational airline group, headquarters at London Luton airport. This report will discuss about the relationship of organisational culture and structure of Easy Jet along with its impact on achieving financial and non-financial performance. It also includes the ethical approaches used by the firm as a part of its organisational culture and benefits. The study will also discuss the environment of the firm by using various organisational analytical techniques along with the key drivers of the change in working practices of the firm. This report also includes the recommendation to improve the performance based on the environmental and ethical challenges faced by the firm.

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INTRODUCTION

Workplace culture is the culture that employees follow within an organisation. The culture of the firm includes the behaviour, attitude, and performance of the employees towards the operation and employees of the firm (Paais and Pattiruhu, 2020). The culture of the organisation plays an important role in developing the working performance, relationships, and satisfaction of the employees. Culture of the workplace involves various aspects in like, policies, values, mission, vision, purpose, leadership, and objectives of the firm.

OVERVIEW OF EASY JET Airlines

EasyJet Plc is a British low-cost airline group founded by Sir Stelios Haji-Ioannou in 1995. The headquarter of the airlines are at London Luton, England, UK. The airlines operate in both domestic as well as international services in more than 34 countries through its airline which includes, EasyJet airlines UK, EasyJet airlines Europe and EasyJet airlines Switzerland. The firm is expanded by a combination of acquisitions and base opening by demand of the customers for low cost travelling through air. The airline carried more than 66 million passengers which makes it the second largest budget airline by number of passengers carried in Europe.

Relationship of organisational culture and structure of EasyJet Plc.

An organisational culture is the behaviour and attitude of the employees within the firm which directly influence the values, beliefs, and vision of the firm (Helmreich and Merritt, 2019). An organisational structure is the rules, regulation, policies, procedures, principles, and norms formed by the company to achieve their objectives. The culture and structure of the organisation plays an important role in achieving the success as it determines how an organisation will perform. An organisational culture and structure can be considered as the foundation of the internal environment of the firm as it directly influences the behaviour of the employees. A strong organisational culture and structure supports in achieving the objective of the firm by developing the working practices of the employees. The relationship of the organisational culture and structure is very important for the growth of the business as the culture of the workplace directly impacts the structure process. The organisational culture and structure of the EasyJet airlines is the firm believes in providing their team a human touch to give benefits to the people across the organisation. EasyJet airlines follows one team approach in the organisation culture and structure.

The impact of the culture and structure on achieving the financial and non-financial performance

Business with the management organisational culture can perform more effectively in their business operations which leads to the increment in the financial and non-financial performance of the firm (Liu and et.al., 2019). The culture and structure of Easy Jet helps in developing the performance, engagement, and productivity of the business. An organisational culture and structure play an important role in achieving the financial and non-financial benefits for EasyJet Plc and some of them are mentioned below: -

- Increased employee engagement: - workplace culture plays an important role in increasing the employee engagement by providing the good and healthy working environment to the employees. A good working culture helps in motivating and inspiring the employees which leads to the increment on the profitability and productivity of the business. EasyJet airlines provides a good working culture and structure to their staff

members and employee which supports in developing the connection of the people and creates positivity in the workplace.

- Decreased turnover: - workplace culture and structure play a crucial role in decreasing the turnover rate of the employees as it helps in providing values and satisfaction to the employees. EasyJet airlines focuses on following the core values and culture of the firm to achieve their objective and goals with the support of the employees. Firm should follow their mission statement perfectly to provide healthy and valuable working culture to the employee which leads to the decreased turnover.
- Elevated productivity: - workplace culture can elevate the productivity of the business by providing proper useful resources to the employees (Helmreich and Merritt, 2019). Effective and new resources support the working of the employees which enables them to perform their best to achieve the targets of the business. Organisational culture focus on impacting the structure of the workplace in a manner that brings the employees together who shares the same skills and talents.
- Strong brand identity: - the organisational culture of the firm performs a great role in defining the identity of the brand in front of the competitive marketplace. It is the main job of the culture to present the public image of the firm in a reputed manner to the customers. Strong brand identity of the EasyJet airlines helps the firm to attract more employees, customers, and investors in the business which directly benefits the performance of the firm.
- Top performers: - business firms that focus on promoting the workplace culture to the community are more likely to get the best talent within the workplace. EasyJet airlines should focus on offering good and effective workplace culture to the employees which will help the business to get top performers in the workplace. Airline firm should also focus on motivating and encouraging the employees and staff members to provide good services to the customers so that passengers will next time also prefer the same flights.

Analyses of EasyJet by using various environmental and organisational approaches

The external environment of the business directly impacts the operations, customers, and competitors of the business (Bonaccio and et.al., 2020). To analyse the external environment of the EasyJet airlines various models and frameworks are analysed below: -

PESTLE Analysis:

- Political factor: - the political factor of the external environment is the business government relationship which includes the complete political situation of the firm and country. Various policies of government like taxation, enactment of autocratic policies and laws may create conflicts for the EasyJet airlines. At the moment, no such issues have been established.
- Economic factors: - these factors include the complete status of the economic system which operates by the firm. The main elements of this these factors which directly affect the demand of the brand are: interest rate, which has increased together with the inflation, and of course the lack of employees financial satisfaction which led to massive employee turnover. EasyJet airlines is recovering after the global financial issues and various new opportunities are developed for the airlines.
- Socio-cultural factors: - these factors include the values and attitudes of the society which drive various conditions and changes for the business. The firm should focus on offering services that matches with their values and attitudes. EasyJet airlines focus on using their own corporate social responsibilities in order to contribute to the ethical business practices.
- Technological factors: - the technological changes affect the operations of the business in various ways as it has major impact on the manufacturing efficiencies, potential competition, and development of the business. EasyJet airlines mainly relies on the use of technology, taking advantage to their competitors by improving and making their website, online applications, or in-site services easy and suitable for their customers. So, the business should focus on keeping up do date advancements in their technological operations and new models of aircraft.
- Environmental factor: - the common available problems include the raw materials, level of environmental pollution, changes in the cost of energy and environmental protection. EasyJet airlines needs to comply with all the laws of environmental in order to make sure

they the emission of CFC is low, and the EasyJet airlines need to use the fuel-efficient engines.

- Legal factors: - the legal environment is consisting of the regulatory frameworks and laws of the country. There are different types of laws that regulate the business operations of enterprises like industrial relation, contract act and many more. These factors play an important and crucial role in aviation industry as EasyJet airlines faces free market competition.

Porter's five forces: -

Porter's five forces framework is the strategic management tool that used to analyse the external environment of the industry (Roberson, 2019). EasyJet airlines can use this method to understand how the forces impact the profitability and strategy of the business. The porter's forces in context to the EasyJet airlines is mentioned below: -

- Bargaining power of the suppliers: - suppliers of Easy Jet dominate the market position to decrease the margins of the firm. The suppliers of the market use their power of negotiation to extract high prices form the airline company. The main suppliers of EasyJet airlines such as Airbus and Boeing holds high bargaining power.
- Bargaining power of customers: The more powerful the customers base of the organisation then the higher the bargaining power of the customers and higher their ability to increase the offers and discounts. The customers in aviation industry respond directly to increase the fares because of the low switching cost.
- Threat of the new entrants: - the main barriers to entering the aviation market is the capital investment as his industry requires huge amount of capital investments as well as strict laws. These barriers make it tough for new entrants to enter the market and sustain, so the threat of is new entrants is low of EasyJet airlines.
- Threat of substitutes: - the threat of substitute is high for the firm if it provides a value proposition which is uniquely different from current offerings. The threat of substitute of EasyJet airlines is high.
- Competitive rivalry: - if the rivalry and competition among the existing companies is intense then the competition drives down the prices and decrease the overall profits of the business. The competition available in the market for EasyJet airlines is very high.

Key driver of the change in working practices of the firm : -

A change driver can be referring to the internal and external pressure that drives change within the organisations (Gagné and et.al., 2019). The changes that can take place in the firm includes the changes in strategy, plans, products, services, design and working practices. The key driver of change in the working practice of EasyJet airlines are mentioned below: -

- Market driver: - EasyJet airlines provision of providing low cost flights to the customers and its offer on early booking tickets gives the opportunity to the target customers. The firm provides large number of aircraft at different airports to provide easily accessible services to the customers which can be act as the drivers in the marketplace and competitive advantages.
- Dynamic check-in : - electronic devices and apps that provides better communication with the customers can give better customer experience. It can also use to reduce the amount of hardware required as they drive more electronic device check in services to the customers, decreasing the cost ODF maintenance and free up employees to concentrates on their tasks.

How the firm has been practising the ethical approaches of the organisational culture along with its benefits.

There are various ethical approaches followed by the EasyJet airlines in their working culture and some of them are mentioned below:

- Safety first: - EasyJet airlines focus on providing proper safety to their employees and customers as they follow the high regard for the safety. They provide training to their employees which includes following of various laws, regulations, and policies. EasyJet airlines also focus on the working practices of the employees as if any person is violating the rules and regulation or not following the ethical practices.
- Integrity: - EasyJet airlines focus on providing training to the employees in which employees focus on performing with full honesty and integrity when dealing with the customer, passengers, and partners.
- Conflicts of interest; - EasyJet airlines also focus on developing their management department so that the proper working practice can be undertaken in the firm. The proper guidance can be provided to the employees to ensure that one can use their power and position to take personal benefits in the workplace.
- Compliance with the laws: - EasyJet airlines focus on comply with the laws, acts and regulations.
- Speak up: - EasyJet airlines focus on providing training to the employees so that employees can raise their concerns to the management departments and ask questions and queries if required. EasyJet airlines also focus on guiding and motivating the employees so that business can easily achieve their goals and objectives.

The organisational culture which follows the ethical and environmental practices in their business operation can easily achieve the objectives of the business as ethical practices help in developing the brand image of the EasyJet airlines. The organisational and environmental culture of EasyJet airlines follows proper ethical and an environmental policy, rules and norms which helps in developing the productivity, profitability, and customers base of the business.

The environmental and ethical challenges of the EasyJet airlines.

The main ethical and environmental challenges that the firm is facing is polluting the environment. The aviation industry is one of the main in term of emission. EasyJet airlines, emits 27% less carbon per passenger km then the other airlines as they are flying always with a very high load factor because of the new technologies in their new flights. EasyJet airlines shows the commitments towards the environment and atmosphere because they are focus on saving the resources. The firm also provides the cheap bus services to enables the customers to use public transport rather than the cars to prevent pollution. There are various challenges faced by EasyJet airlines and some of them are mentioned below:

- Overbooked flights: - this issue emerge when airlines sell more tickets than the actual seat available for the money. These issues cause inconvenience to the passengers as flight shi9ft the passengers on the next flight. EasyJet airlines should focus on following ethics and values in their working practices to develop the brand image, customer base and profitability in the competitive market.
- Toxic workplace culture: - workplace culture is the important aspect to provide effective and efficient working performance to the employees. EasyJet airlines should focus providing good and healthy working culture to the employees so that employees can feel full satisfied with the firm. Toxic working culture is one of the reasons of employee turnover so to avoid the employee turnover airlines should focus on providing good and healthy working culture to the employees of the firm.
- Discrimination and harassment: - this can be the main ethical concern to focus on as human capital of the business is very important for the firm to achieve the success in the market (Anastasiu and et.al., 2020). EasyJet airlines should focus providing a good working culture to the employee which should focus on avoiding the discrimination and harassment of the employees so that the company can develop their brand image in the market. Firm should focus on providing effective working environment to the employees in which proper rules, regulation, principle, values, norms and policies should be there for the employees.
- False advertising: - in this issue airlines show false advertising of the prices on the commercial and online ads. Airlines uses various websites, social media platforms to advertise their services, prices, packages, and vacancies with offers to attract the customers and employees in the workplace. EasyJet airlines should focus on providing true information about the prices to the customers to follow the proper ethical values in the working culture.

Recommendation to improve the performance.

After analysing the alternative course of action, it could be the suitable recommendation for the EasyJet airlines, that they should focus on implementing the alternatives of adopting the situational frameworks of leadership to improve the performance of the business (Irfan and et.al., 2019). It has been suggested to the EasyJet airlines that they should on using various strategies and techniques that helps the business in performing effective decision making. EasyJet airlines should focus on considering situational leadership styles rather than the autocratic styles of leadership to develop the decision making of the firm in order to achieve the better position of the company in competitive market. The company should concentrate on restructuring of their pricing strategy as well as they should also include the refund policy in their business structure to attractive more people towards their airlines This strategy will support the EasyJet airlines to develop a strong customer base in the market which leads to capture the maximum market share. The firm should also focus on improving the motivation of their employees by focusing on the working performance of the staff members. EasyJet airlines should concentrate on staff retention so that they can easily develop the performance of the business as well as overcome the challenges faced by the working environment of the business. To develop the employee retention EasyJet airlines should focus on providing competitive remuneration with various facilities to the staff members.

CONCLUSION

It has been concluded from this study that; workplace culture plays an important role in developing the working efficiency of the employees of Easy Jet. It is very crucial for the organisation to have an effective workplace culture in order to achieve their objectives efficiently. By creating or developing a strong organisational culture and structure Easy jet can provide direction and consistency to their employees and staff members. The environmental culture of the business also helps in decision making, effective working performance so that the workforce can easily achieve their objectives. This report discussed about the relationship of the culture and structure of the firm which helps the employees to develop their working practices. To achieve the financial and non-financial performance. In this study various models like, PESTLE Analysis and Porter's five forces are discussed to analyse the environment of the firm. This study also includes the key drivers of the change so that the working practices of the firm can be developed effectively. In this study the ethical approaches of the workplace culture are also discussed along with its benefits to the workplace so that the environment of the firm can be analysed and improved. This report also includes the recommendation of the challenges so that the performance of the firm can be improved.

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