

Tesco

Structure and Culture – Assessment 1

Student Name: Adina Badale

Student Number: 1909484

Module Title: Introducing the Modern Workplace

Module Lecturer's Name: Dr. Raxon Nting

Table of Contents

Introduction	3
Discussion.....	4
Conclusion.....	9
Reference List	10

Introduction

The organisational structure understands the way the responsibilities and roles are aligned between various scales as well as industries. This is wholly dependent on the objectives of a company and the way this desire to meet them. In the centralised structure, all decision-making strength is retained at the topmost scale of management as well as all other units are thoroughly controlled and managed. The current study is going to highlight the role of organisational culture and structure within the international business world. Tesco Plc is one of the renowned supermarket brands within the UK retail market. This has about 3400 stores within the nationwide and it provide delivery service and online grocery shop (tesco.com, 2020).

Discussion

Tesco Plc is one of the multinational grocery seller organisations and their headquarter is in England. They have a **hierarchical organisational structure** and the barrier as well as positions in this structure are categorised into various sections for securing work to attempt smoothly and productively. Their top management has the maximum authority and responsibilities. On the other hand, De Vries and Van der Poll(2016) have stated that flat organisational structure helps them to administer over their large span of business functions within the world.

However, the traditional hierarchical structure has suit Tesco's motive. Therefore, directions coming from their top management may be performed properly within their global market. The organisational structure is framed with 5 committees who report to the Board of Tesco and 11 members are their Executive Committee who are led by their Group Chief Executive. As opined by Roth *et al.* (2016), hierarchical structure is easy to utilise, each unit can aim at their work. In fact, there is clearness on people's roles and there lies one who is liable for the unit. Being a large corporation, it is not possible for one to manage the entire organisational setting, thus, this structure is useful to maintain various nation, diverse people, various stores, and many units.

As per **Handy's four classes of culture**, there are 4 types of culture of a company. These include person, task, role, and power. According to Nightingale (2018), in a firm with power culture, there are some regulations and rules and workers are basically judged by what they accomplish rather than the way they attempt any things. However, Nikčević(2016) has mentioned that companies with role culture are wholly dedicated to strict rules. Individuals are clearly deputised establishments within the greatly detailed structure. On other hand, task culture makes while team in a firm are made to identify progress project or certain issues. This helps a team to solve specific issues. Cicchelli *et al.* (2018) have added that person culture allows individuals to believe themselves to become a greater to the commercial.

Tesco has a **task culture** where their workers are categorised into certain teams. The team is duly allotted with certain activities which need to be finished with a certain period. It is quote same as their present hierarchical organisational structure where authority and power are given to a specific team. As opined by Janićijević(2017), the task culture in a company makes encouragement within the workers.

In application to *Schein's culture triangle*, as per Parahoo *et al.* (2017), a company does not embrace a culture in one day and this is made in due course of time as their workers check several chances, embrace external setting, and solve issues. In Tesco, they allow their workers to dress up formally or casually as there is no such dress code. In fact, their workers respect their mentors and neglect unessential disputes. Therefore, it can be stated that Tesco has a good professional culture. However, the management team take the feedback and perception from their workers so that they can work in a collaborative team without any hassles. Nold and Michel (2016) have added that the assumed values of workers cannot be measured but attempt to create a variance to the organisational culture. In Tesco, they have facts and beliefs that keep hidden but do impact on their culture. Moreover, the company follows specific practices that are not deliberated frequently but unstated

As opined by Small *et al.* (2016), the prime aspect of Kotter's change theory is to change with the aid of a series of phases with substantial time setting. In *Urgency*, Tesco can set their tasks through prioritisation and have the sense of urgency via determination of competitors and market. In the next one, they can cope with the efforts of change to establish a team with adequate *authority* and *power*. Whenever, they come to change management, they try to set a clear *vision* and *communicate* with the fresh change vision as well as strategies. However, in the next step, they change their structure and system that encounters innovative vision and aims at risk bearing. Moreover, they plan for visible performance enhancements as well as make such enhancements. Later, they reward their workers who have assisted to reach their allocated targets (Chappell *et al.* 2016).

As per Peprah and Ganu (2018), the culture and structure of a company are directly connected to the performance of a company. In case employees and managers are entirely committed to collective morals, customs, and principles, this may lead to positive results in a company. Tesco and their workers share a communal culture and the setting creates this simpler to share joint objectives as well as to follow possible process in accomplishing them. The high performance with the company results in strong culture. In case a company performs properly, there may be collective values within company (Halley *et al.*, 2017).

In fact, failing to understand organisational goals, organisational environment, and operations of business may lead to defective expectations of performance. Moreover, structures not only result

in organisational capabilities increment, but even the methods which lead to increase performance. As stated by Groysberget *al.* (2018), good working staff performing in the structure which is poorly framed tends to familiarise to the poor structure. It even showcases that workers not possessing entire management of the policies processes, procedures, and all supporting systems of the company like Tesco.

In the context of Tesco, several different types of factors have been discussed above that ranges from organisational cultures to different types of roles within the business, power hierarchy, morale and ethnic behaviour, and others. These factors directly impact the performance of an organisation by changing the internal mechanism and how they approach market needs and competition (Bakotić, 2016). For instance, in an organisational structure, different types of individuals possess different types of roles owing to which there is better efficiency is achieved in the organisation. An individual might be in a position such as a manager when he has control over several different types of employee performing different types of within Tesco. Floor managers commands after people who make clothing sales, management of food, and other aspects in Tesco. It is important for managerial head such as these to consider the work pressures that are imposed upon employees so that as it helps in minimising any form of complaints and increasing work environment positivity (Katou, 2015).

The above suggested scenarios and organisational structures directly affect the performance of Tesco employees at different levels. The higher an individual is in the organisational hierarchy, the more likely it is that they will be more inclined towards better performance as well margin of incentives and rewards that they receive is much better, than lower level employees. However, lower level employees must be provided the opportunity to work their way up the organisational ranks as it allows them to obtain a better lifestyle of living. The prospect of growth is one aspect of change in performance, however interpersonal relationship with other management and consumers is also another aspect that directly influences business performance and behaviour.

In a similar manner, organisational culture is determined by the type of values and ethics which are promoted within a business by putting emphasis upon good work policies and reiterating how legal behaviour can be achieved. In the context of Tesco, there are several instances where different types of commodity and others perishable goods possess the chance of expiring. It is important for the managerial heads to focus upon removing these would immediately so that

lower level employees do not feel pressured to sell back products to the consumers and increase the level of complaints. There must be quality check measures always present within the context of Tesco and the lower level subordinates and the high-level employees must focus upon quality enhancement. Unethical business behaviour such as selling bad products to consumers is not only a violation against The Consumer Protection Act but is also morally incorrect as well as consumers is being created on purpose.

Organisational performance is directly affected by performing illegal activities on a regular basis as increased level of illegal activities increases the chances of increasing organisational performance and the cost of losing brand value and goodwill. In order to be righteous organisation and focus upon doing business with consumers for a longer period, emphasis must be put on clear communication and transparency of products and both of Tesco. This will help in word of mouth marketing and will bring in more consumers in the coming years for the business and will help in the target audience increasing for the organisation. The revenue of the business will be aided by such endeavours and will increase as the business both on over the years. The better the profit margin is of the company, the structure and culture of the business can be improved even further so that newer policies related to both of these aspects can be released.

One of the methods through which organisational performance can be enhanced within Tesco is by performing strategic alliance with another organisation through method such as acquisition, mergers and others (Katou, 2015). This will not only help in restructuring the organisation in a effective manner, more resources such as employees, materials and others can be accumulated that will help in changing the world dynamic and culture of the business to a much better extent by elaborating the workforce to much higher capacity. Consideration of expansion is also another aspect which the organisation can take in when implementing the different types of theories that have been illustrated above, this is because different types of countries and areas have many ethnicities, religions and other aspects prevailing within them. Inclusiveness is the relevant aspect as it helps in decreasing discrimination, inequality, and makes the key people feel like they're a part of the organisation which help in improving their overall quality and performance output (Sethibe and Steyn, 2015).

As per Kotter's theory of change, it can be understood that there are different aspects which are present within the framework that includes urgency, quality, power, vision, and communication.

All of these factors are interconnected elements that are used in sequential manner in order to create priority, order, and effectiveness (Beneke *et al.*, 2016). All of these areas help in bringing a margin of command over the different tasks of Tesco. Organisational performance is directly affected by these as the more urgency is created in specific situations, the more chances there are that the quality of which is performed get increasingly compromised. However in order to minimise the amount of quality fallout increased level of authoritative power is imposed by upper level management so that performance of employees is optimised at a better level (Tubigi and Alshawhi, 2015).

Conclusion

In the above analysis, the case study of Tesco has been considered and organisational structure, culture, and work performance has been considered. Several different types of frameworks such as Handy's Four Classess of Culture, Schein's Cultural Triangle, Kotter's Theory of Change, and others have been discussed. Emphasis has been given upon the relationship that exists between performance, culture, people, and structure of the company. In addition to that, the way in which all of these factors are influencing aspect in improving business performance and achieving higher rate of productivity and goodwill has been discussed. The negative effects of unethical behaviour and illegal activities are also another aspect which has been discussed. Finally emphasis has been given upon how organisational performance is developed in the long end product.

Reference List

- Bakotić, D., 2016. Relationship between job satisfaction and organisational performance. *Economic research-Ekonomska istraživanja*, 29(1), pp.118-130.
- Beneke, J., Blampied, S., Dewar, N. and Soriano, L., 2016. The impact of market orientation and learning orientation on organisational performance. *Journal of Research in Marketing and Entrepreneurship*.
- Chappell, S., Pescud, M., Waterworth, P., Shilton, T., Roche, D., Ledger, M., Slevin, T. and Rosenberg, M., 2016. Exploring the process of implementing healthy workplace initiatives: mapping to Kotter's leading change model. *Journal of occupational and environmental medicine*, 58(10), pp.e341-e348.
- Cicchelli, V., Octobre, S., Riegel, V., Katz-Gerro, T. and Handy, F., 2018. A tale of three cities: Aesthetico-cultural cosmopolitanism as a new capital among youth in Paris, São Paulo, and Seoul. *Journal of Consumer Culture*, p.1469540518818629.
- De Vries, H. and Van der Poll, H.M., 2016. The influence of Lean thinking on organisational structure and behaviour in the discrete manufacturing industry. *Journal of Contemporary Management*, 13(1), pp.55-89.
- Groysberg, B., Lee, J., Price, J. and Cheng, J., 2018. The leader's guide to corporate culture. *Harvard Business Review*, 96(1), pp.44-52.
- Halley, A., Kambuaya, B., Ronsumbre, J. and Risamasu, F., 2017. Influence of Cultural Organization and Leadership on the Performance of Employees Mediated Job Satisfaction on District Health Department Mimika Papua. *Journal of Education and Vocational Research*, 8(1), pp.23-30.
- Janićijević, N., 2017. Organizational models as configurations of structure, culture, leadership, control, and change strategy. *Economic Annals*, 62(213), pp.67-91.
- Katou, A.A., 2015. Transformational leadership and organisational performance. *Employee Relations*.
- Nightingale, A., 2018. Developing the organisational culture in a healthcare setting. *Nursing Standard*, 32(21), pp.53-63.

Nikčević, G., 2016. THE INFLUENCE OF ORGANIZATIONAL CULTURE ON LEADERSHIP-CASE STUDY MONTENEGRO. *TehnickiVjesnik/Technical Gazette*, 23(1).

Nold, H. and Michel, L., 2016. The performance triangle: a model for corporate agility. *Leadership & Organization Development Journal*, 3, pp.341-356.

Parahoo, S.K., Mumtaz, S. and Salem, S., 2017. Modelling organisational innovation in UAE: investigating the love triangle involving leadership, organisational culture and innovation. *International Journal of Knowledge Management in Tourism and Hospitality*, 1(1), pp.110-126.

Peprah, W.K. and Ganu, J., 2018. The convergence of organizational culture, structure and human capital performance: A conceptual analysis. *Archives of Business Research*, 6(5).

Roth, W.J., Gil, B., Makowski, W., Marszalek, B. and Eliášová, P., 2016. Layer like porous materials with hierarchical structure. *Chemical Society Reviews*, 45(12), pp.3400-3438.

Sethibe, T. and Steyn, R., 2015. The relationship between leadership styles, innovation and organisational performance: A systematic review. *South African Journal of Economic and Management Sciences*, 18(3), pp.325-337.

Small, A., Gist, D., Souza, D., Dalton, J., Magny-Normilus, C. and David, D., 2016. Using Kotter's change model for implementing bedside handoff: a quality improvement project. *Journal of nursing care quality*, 31(4), pp.304-309.

tesco.com, 2020. *About us*. Available at: <https://www.tesco.com/> [Accessed on 1 May 2020]

Tubigi, M. and Alshaw, S., 2015. The impact of knowledge management processes on organisational performance. *Journal of enterprise information management*.