

Introducing the Modern Workplace

Assessment 1

Student: Andreea Maria Aron

Table of contents

Executive summary	3
Introduction	4
Organisational structure	4
Organisational culture	5
Organisational structure and performance	6
Culture and organisational performance	7
Factors that can influence the individual behaviour at the work place	8
Recommendations	8
Conclusion	9
References	10

Executive summary

This report has analysed the organisational structure and culture and has selected Marks and Spencer for exemplification. It was assessed the role of structure and culture and their impact on the business performance. It was enhanced with examples from Marks and Spencer activity, the changes that has driven the organisation to simplify the structure and culture in order to become successful.

There were identified the factors that influence the employees behaviour and it was given the recommendation for Marks and Spencer to focus more on the communication between front line staff and management in order to improve performance.

Introduction

Organisational structure is serving the business to achieve their goals and is connected to the organisational culture. The management contributes to the development of the culture as it is more preferable to have a strong culture.

The report will identify the organisational structure type in Marks and Spencer and will provide recommendations for obtaining performance through structure and culture.

Organisational structure

Organisational structure is defined as the sum of the activities, roles, rules and responsibilities designed to achieve business goals. The role of organisational structure is to maintain efficiency in the business activity. The organisational structure impacts the job roles and the lack of a formal structure can create confusion and lack of focus. Employees would have to know clearly to whom do they need to report (Academy of Management, 1980).

Information flow depends on the type of the structure. The most traditional structure is the centralised one that has centralised leadership who offer guidance and has the decisional power.. The centralised structure type has a distinguished chain of command whilst the decentralised structure type there is a high degree of personal agency given among employees. The flow of information in centralised structure goes from top to down. In a decentralised structure the flow of information is distributed between the levels within the organisation.

Organisational structure can be functional, divisional, flat and matrix. Functional structures are created according to the functions of the organisation and it is more bureaucratic. The departments within the organisation present own internal structure with a leading manager for each business unit that has high-level of independence. The divisional structure is organised in divisions, more specific to manufacturing industry and with a CEO that decides the strategies. Each division would manufacture different products having separate marketing and sales departments. The flat structure involves equal participation to the decision making and communication flow and is specific for the groups to arrive at common agreement. The matrix structure presents hierarchal system, but there is interaction and communication with other groups.

The selected organisation is Marks and Spencer. It is a British company that sells cloths, food and financial services. It has a history of more than 100 years and along time it had encountered success but also challenges. It evolved and adapted its activity depending on the needs of the organisation. That is why Marks and Spencer has oriented to a type of structure aligned with the changes in modern world and market demands. The structure of the organisation is flat with reduced number of management layers between administration and floor staff. This type of structure empowers employees to get involved in the decision making process. It decreases the bureaucracy and it has a more direct communication process (Strinfellow, 2010).

Mark and Spencer's flat structure has determined the organisation to provide more training to their employees in order to have the right knowledge to act and take decisions. Managers in the organisation are given different type of training based on their experience and formal education. Some of the essential skills that are wanted in Marks and Spencer are team work, leadership skills, financial skills (M&S Corporate, 2018).

Marks and Spencer's type of structure helps the business to be more effective by having reduced number of middle management layers. This involves less cost and allows the business activity to be realised at ease and less resistance. The level of responsibilities allocated to front line staff is higher and this makes operations more efficient and productive (Borkar, 2010).

Organisational culture

The organisational culture is represented by the norms, working environment and employee behaviour. It involves common characteristics tangible and intangible, that shape the organisation. The tangible characteristics refer to norms developed by the organisation through internal handbooks, hierarchy charts. The intangible characteristics refer to shared values, understandings and beliefs. These characteristics are of imposing a social phenomena and of the business ways to do things (Alvesson, 2012).

In order to gain a good understanding of the organisational culture there are analysed internal and external elements. It has to be taken in consideration the unicity of the cultures as there are determined by people who are different and have different goals and objectives. That is why an organisational culture can evolve differently depending on geographical areas, influential social and historical appropriateness .

The modern organisational cultures differ from past organisational cultures and a major influential factor is the internet and modern technology that facilitates the access to information and its rapid circulation. Nowadays organisational cultures are considered to be a continuous process and it is given great degree of flexibility and dynamics in order to manage change and adapt. Culture influences the response towards opportunities and addressing challenges. Corporate culture can become excessively bureaucratic and quite static and individuals will have to adapt and be part. A powerful organisational culture has deep roots that can become recognisable for the organisation even by the public.

Organisational culture is a liaison between ethics and values and correlates the individual behaviours. When recruiting new employees, employers look at the candidate's personality and skills in order to fit the organisation and maintain a cohesive culture.

With more than 100 years of existence and activity the original culture was dictated by the founder and their families. It was focused on quick turnover and hard work. Marks and Spencer has developed a corporate culture that became too rigid at one point with falling share prices. Lack of strong leadership made the organisation vulnerable. It developed a resistance to change approach within the management and staff. Their long success and long establishment has inclined the organisation to consider that they do not need to change. The changes of the modern world, the changes of the markets assumed new ways of doing things and cultural changes. When Marks and Spencer has realised the need for change, it determined the organisation to act and make changes. This was driven also by employees fearing for their jobs (M&S Corporate, 2018).

The CEO new vision towards culture was to focus on customer and become a customer driven culture. That required improvements and be open for changes. The changes involved training, learning and education that determined the culture in Marks and Spencer to adapt and be more dynamic (UK Essays, 2018).

Organisational structure and performance

The structure of the company can impact the performance of the business. The organisation should take in consideration the goals and objectives. If there are struggles within the system then the board of directors need to assess if there is too much bureaucracy or if there is confusion over the control levels. Employees will then get disenfranchised and their work could suffer.

The CEO has a great role to improve the business activity and organise the strategies for decision making. Marks and Spencer's CEO Steve Row is a good example of leadership for introducing new changes to the structure towards the aims and objectives of the organisation. That is why a system is defining for the work of employees. When structural change is intended it should be realised research on how things are handled on and given appropriate training. Marks and Spencer is focusing on retaining talent, training and developing their employees.

The empowerment should be more than statements, but it should take into account the industry and business type. In more technical operations empowerment has no great benefit to the activity. It should be followed a structure that is based on level of knowledge and given authority accordingly. In this case the performance is helped by a more centralised structure that will help with better decision making (Schafritz et al, 2010).

In Marks and Spencer the front line employees are empowered to take small decision in the interaction with the customer in order to fulfil the customer expectations. It has been observed that high performance does not involve solely the efficiency of resource allocation. A structure that fosters an efficient decision making has equal importance for achieving performance.

Innovation and companies that focus on innovation would require a structure that encourages creativity and does not has bureaucratic restraints. In the same way a company that depends on good customer service should have a structure that allows rapid decision making process in order to reduce time and delay for customers.

Culture and organisational performance

Studies have identified that a strong culture will significantly impact the organisational performance in a positive way. The culture is considered a crucial determinant for the organisation activity (Kotter and Heskett, 2010).

It has been researched that culture can be managed to achieve performance. Usually in the case of conflicts the managers look at cultural issues to identify sources issues. New managers can lead to a change in the organisational culture.

In the case of Marks and Spencer the resistance to change culture within the company has proven to lead to underperformance. That is why new management had looked at simplifying the culture

more cost conscious with passionate employees that take pride in working for the organisation. This was realised through an accelerated change across the business organisational culture. Nowadays Marks and Spencer was able to unify business and culture towards a more commercial activity and customer driven. The employees are focusing on offering high customer service, high quality products and brand image. Employees in Marks and Spencer feel more secure, valued and motivate to perform and contribute to the success of the business (MacQueen, 2020).

Factors that can influence the individual behaviour at the work place

In an organisation, the behaviour of the employees can be influenced by a variety of internal or external factors. The leadership of the organisation is an internal factor that is determinant for the business activity. That is why the employees will have different positions toward the leadership and responses. A strict leadership could be avoided leading to more days off taken. A good leadership will guide them, provide knowledge and be an inspiration for the employees (Bhagat, Steers, 2011).

The work culture is another internal factor that influences the employee behaviour. The employees would be more comfortable in cultures that encourage respect, that are transparent and have a strong work ethic system.

The type of job and responsibilities are another influential factor. Overburden and high volume of work will determine employees to loose interest. Also an ineffective process of communication would mean unsolved problems (Robbins, Judge, (2012).

Recommendations

Marks and Spencer has worked towards simplifying the structure and culture. It was vital for the company to introduce change and adapt to the market demands. A recommendation for Marks and Spencer to improve performance is to continue with the established strategies towards the changes in structure and culture, to develop employees and reduce the layers of management to ensure a better flow of communication. Further that it should intensify the communication between front line staff and management in order get feedback on customer interaction, on how

to improve operations, stock etc. This data could be collected through online communication, face to face discussions, regular meetings.

Conclusion

In conclusion the studies have suggested that structure and culture are vital elements for the business to perform. The employees behaviour is influenced by the organisational culture and structure.

Marks and Spencer is a case where new leadership has changed structure and culture in order to make the business profitable.

References

- Alvesson, M. (2012) "Understanding Organizational Culture". Thousand Oaks: Sage
- Bhagat, R. S., and Richard M. Steers, M. R. (2011) "Cambridge Handbook of Culture, Organizations and Work". New York: Cambridge UP
- Kotter, J.P., Heskett, J.L. (2010) "Corporate Culture Performance". New York: The Free Press
- MacQueen, J. (2020) "The Flow of Organizational Culture: New Thinking and Theory for Better Understanding and Process". Palgrave Macmillan
- Robbins, S. P., Judge A. T. (2012) "Organizational Behavior". Upper Saddle River: Prentice Hall
- Schafritz, J. M., Ott S., Jang Y. (2010) "Classics of Organisation Theory". Boston: Cengage, 2010.
- Academy of Management (1980) "Organization Structure and Performance: A Critical Review"
[Online]. Available at: <https://journals.aom.org/doi/10.5465/amr.1980.4288881> Accessed 3.09.2021
- M&S Corporate (2018) "reports" [Online]. Available at: https://corporate.marksandspencer.com/annual-report-2018/PEOPLE_AND_CULTUREv5RS.pdf [Accessed 3.09.2021]
- Strinfellow, A. (2010) "About Flat Organization Structure: Accessible from: http://www.ehow.com/about_5087590_flat-organization-structure.html Accessed 3.09.2021
- UKEssays (2018) "Reviewing the leadership style and organizational culture of Marks and Spencer". [Online]. Available from: <https://www.ukessays.com/essays/business/reviewing-the-leadership-style-and-organizational-culture-of-marks-and-spencer-business-essay.php?vref=1> [Accessed 3 September 2021]