

Unilever the nature of  
change you are  
proposing



**ASSIGN  
BUSTER**

Unilever a leading multinational corporation has multifarious brands that inherent consumer products on a large scale and involve in manufacturing gigantic operating in hundred countries all over the world. Unilever's has been moved by the significant circumstances of the day like economic boom, rapid change in technology, depression, people's lifestyle, and recession.

Unilever was original established in 1930 by the consolidation of soapmaker Lever Brothers and margarine maker. In 1930 the Unilever business propagate and new enterprise were inaugurated in Latin America. They are invariably increasing their products to provide more intense, extraordinary development. Unilever's have five laboratories all over the world, which scrutinize new techniques to make more improve. Unilever's purpose is to set the highest standards of organizational behaviour including everyone they work with.

### **Proposing Change:**

The proposed change will be consist of ethical values and develop a new design considering diversity. Unilever should establish open communication with the employees and also take their decisions into consideration. They should come up with a slogan that will not effect ethical value of any employee in an organization but come up with such slogan thta will motivate their employees. This will create stability in the environment, and employees will also demonstrate completeness in their work and in organization. The rationale of the decision will be based globally, as unilever has such a diverse workforce which refers that the members are classify and distinguishable on the basis of religion, gender, age group, and several other barriers in dealing with diversity with respecting the morale of the workforce.

**A description of your chosen organization ( including its size, structure, market, products, aims and objectives and recent history).****Organization size:**

The industry is consist of consumer goods, and the size of the company is appoximatly 10, 001+ employees. The current status of the Unilever is in operating. The type of Unilever is public company. The ratio of male is 56% and female is 44%. The common job titles are Brand Manager 5%, Manager 4%, and Finance Manager 2%.

**Organizational structure:**

Unilevers is the leading corporation having numerous consumer products manages its divergency in oragnization having vertical axis which represents the level of global combination, and therefore of central, the horizontal axis which represents the level harmonious combination or function of national difference, and subsequent influence of stratetic and operational reconciliation. Unilever represents another approach to improve communication to avail opportunities and benefits from the resources that easily available to them. This type of structure is said to be a Hybrid form that manipulate with three ramification territories, two product divisions, and five operative sections. Unilever bring out the capabilites and implemented this organization structure for its company.

Org Structure. png

**Organization Market:**

Unilever is one of the preeminent food company. They know their consumer and having good understanding of their consumer needs of food product.

They always look forward what their consumer love about it and make their brands a most accessible choice in their consumer's mind. Unilever make sure about the ingredients of the same product in the different regions.

Unilever products are daily basis meals, and they also incline local in order to attract their local market by introducing new flavors according to the consumer of the product. They have the culture and knowledge to move consistently within countries and their cuisines. They know how to move globally, and locally. They are commitment to make sure and certain measures to form healthy balanced nourishment. Unilevers having kind of food product you can trust, their target is to fulfil whatever consumers love about food product. Unilever dessiminate and maket their product in such a way which is advantageous for them.

**Organization product:**

Food brand

Home care brands

Personal care brands

Nutrition

Health, hygiene and beauty

Our advertising

## Unilever Foodsolution

**Unilever Aim and Objectives:**

Unilever caters appoximatly 2 billion consumers each day. They have a clear and realistic objectives which consist of four pillars.

Unilever emphasize in creating a better future each day by fulfilling the consumer need on the daily basis. They care about their consumers by facilitating them to provide healthy diets so that people will be healthier for the long time.

Unilever's ultimate vision is to facilitate consumers by make them feel good, look good, and achieve more out of life. They are consistently moving with the lifestyle of the consumers and variability in consumer's taste which is now-a-days rapidly increasing.

Unilevers vision is to galvanize its consumers to take a small part in daily action so that will add a big difference for the world.

They are intensifying new ways to improve their business and having objective to double the size of its organization, and by bringing down the environmental impact.

Unilever believe in the quality of their brand and consistently moving with the diversity and other technological changes in order to improve their business, and quality of their product. They know how to face the challenges concerning all the probablity with respect to the internal and external changes in the organization. The value what consumers want and keep in mind who they are.

## **Recent History of Unilever:**

The recent history of the unilever is how they manage to be successful in recent years until now the committee has provided a proper way to collect the data and how to measure performance, but most of the management left to the country units. Recently they layoff many of their employees in order to cut the cost but this scenerio has taken place in some of the countries who are facing recessionary period which greatly affected their product cost, supply cost, and other cost as well. As a result Unilever had faced high competition in the business, and they manage successfully in the difficult time, they didn't compromise in giving quality product in order to satisfy their consumers, and will be manage successfully in the subsiquent years.

## **Recently new hires take place in unilever:**

Alexandre Eboli has promoted as a vice president of logistics in America, he was the vice President of the SC capabilities in America.

Rob Cowan has promoted as a vice president of service development and control, and he was the Global IT service Delivery director.

Fernando Ilado has promoted as a Planning and information management Chief, and he was the customer development finance channels chief.

Alok Joshi has promoted as a vice president, Engineering services, he was the Category supplychain director, Deodorants.

Kevin McNair has promoted as a Global Vp family goodness, and he was the senior brand development director, dressings North America.

### **3. The external factors effecting change your chosen organization ( Economic and market factors, competition, legislative factors, population factors, organisational factors, environmental factors).**

#### **PESTAL ANALYSIS:**

##### **Political:**

As unilever manipulates in developed and in developing countries extensively where the political circumstances in different countries is sustainable that revitalize more investments. The judgistry of these countries also supporting free market economy and having little governmental intervention.

##### **Economical:**

Most of the economic condition is not sustainable in the recent time because recession is greatly taking its position in many countries. The European market has been shifted to a single market therefore, it is growing rapidly the market for Unilever products. In most of the countries inflation and exchange rates has been immutable hence not even contriving the prices of its products or any subsequent investment.

##### **Sociological:**

Unilever has good understanding of society and their market globally and locally. They try to cope with the changes occur in the products like many of the people have different product needs such as slimming food, nutritional food, carbohydrate free food, and many other changes which takes place due to the rapid change in consumer lifestyle. Unilever take care of its

society and also involve in the societal benefits through its different products according to the society need.

### **Technological:**

Unilever consistently moving with the technology and having uncompromisable behaviour in giving quality product. Their objective is not only maximize the profits but they are greatly anticipating their customers with loyalty, trust, good response, and content changes according to the consumer lifestyle.

They are also focusing on the research and development in order to meet the requirements, the advance technology, and effortlessly introducing modified products so that is how their stakeholders will also be satisfied.

### **A description of your proposed change including a summary of your proposal, a rationale for it, a summary of the economic and organizational benefits of your proposal, the potential costs associated with it, and a completed cost benefits analysis.**

The proposed change will consist of ethical values and develop a new design considering diversity. The rationale of the decision will be based globally, as Unilever has such a diverse workforce which refers that the members are classified and distinguishable on the basis of religion, gender, age group, and several other barriers in dealing with diversity with respecting the morale of the workforce. Most of the economic condition is not sustainable in the recent time because recession is greatly taking its position in many countries. The European market has been shifted to a single market therefore, it is growing rapidly the market for Unilever products. In



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### **Strengths:**

As unilever precieved good reputation as a global company having strong brand portfolio, and successfull in maintain strong relationship with retailers. Unilever's strength is it's resources, standardization, and quality by which they maintain all the operations regarding its process that helps organization development the competative advantage to survive in the market in long-term planning. Their major strength is thier patent products and strong brand name of daily life products that also satisfy their target market, and having good reputation among consumer, suppliers, and retailer. The other major areas of strength is cost of every single unit of their product mix due to the wide range of daily use product and have a exclusive accesss of high grade natural resources to meet the requirments, and have a favourable access to distribution networks, wide distribution channels, maintaing a quality of their products with quality skilled labour and management which causes the magnanimous gaulity and satisfaction.

Unilever is leading in multifarious food products such as culinary category, soups, packet tea, spreads, margarine, ice cream, olive oil, home care products for example cleansing, hygiene products, and frozen food in Europe. They are famous for best seller of various brands. Unilever has the ability to modify products according to the consumer demands. They have the good understanding of its diverse market and they are consistently engage in innovating the products for each of the market segment. They have the kind of culture that they also listening to the consumer demands and catering them in an efficient manner. Unilever also focusing on social responsibility to shareholders and their employees. They are constantly growing and concentrating on the core brand. They are also demonstrating the power of rapid growth in Italy and Britain. Their market shares are successfully increasing in Africa, Middle east , and Turkey. They are giving their best on the large range of brand by considering variations in its consumers.

### **Weaknesses:**

Unilever one of the weakness is reduction in the R& D budget, their incompetency to maximize remuneration, and the inefficient management of products. Absence of certain strength in the company viewed as a weakness. Their high cost structure affects due to the import of rawmaterial, advance technology, and which also create frequent fluctuation in foreign current. They are recently facing weak distribution channels in some countries which causes low customer retention and their uneffient management giving unsatisfactory services which have direct impact on effectiveness and unavailibilty of products. Unilever facing decline demand from America. The

reputed perfume, frozen food, and other products is not performing up to the mark while the benchmark target is 5%. Decline in sales due to the inflation. The organizational structure is not suitable for them. They are also facing competition from Marks & Spencer, and Sainsbury also started high quality of eatable items.

## **Opportunities**

As Unilever make changes according to the consumer preferences, and also involve in increasing the quality of healthy products. The external environmental analysis may reveal certain new opportunities for profit and growth in mainly input cost reduction for lower personal taxes at which they have more opportunity to import new technologies and keep upgrading their manufacturing system with removal of major international trade barriers. The advance techniques for distribution channels also have positive effect and the reputation of unbranded product goes high with major related products with changing taste of individuals, time by time, liberalization of market and competency also give an opportunity to produce better and for consumer point of view. Unilever has an advantage of changing its market segment by taking into consideration the specific health conscious group and young generation who can easily manage to buy the products. Unilever is growing rapidly in the developing countries, and also involve in getting innovative position or favors. Their market share is increasing in Africa, Middle East and Turkey.

## **Threats**

Unilever facing decrease in the revenues due to the strong competition. Their store brands is increasing which is threat for the company, and the

business climate is getting tougher as Marks & Spencer, and Sainsbury also started high quality of eatable items. Changes in the external environmental also may present threats to the firm closely related to the government variation and their policies at which they directly targeted to the taxes because it is the major revenue generator for the country not for the company, which may effect on to their small markets and hopelessly of geographic market and their targeted consumer may change their taste and way of using it. Increasing trade barriers, variation on foreign currency also differ, and evolution of substitute products. Their customer is losing confidence and trust in their products and most of the consumers switching to reduced-fat product. Retailers are also fail to make sales by not stocking enough stock.

### **Cost benefits analysis:**

The financial position of the unilever is another important aspect of the internal analysis which also include my proposing change which will incur low cost and work more effective if they design such management system in its organization. The strengths and weaknessness of the organization have been taken into consideration because its financial objectives will illustrate the extent to which the organization will meet the requirement and some of the key targets to achieve. It will also instruct management to participate efficiently in operations and in decision making so together everyone will achieve more.