

# How organizational structure and culture impacts on people business essay



A company is structured and modified by how it wants to serve people. The market it wants to serve or the product it manufactures helps Company to structure itself. For example GlaxoSmithKline is a pharmaceutical and healthcare company and engaged in manufacture and marketing of medicines, vaccines. GSK is a multinational company with 99000 employees worldwide so the company structure of this kind of company cannot be easily set up. The region they capture is almost 37 countries, which make it more complex to define a structure. (GlaxoSmithKline pharmaceuticals, 2010)

A company's hierarchical structure is very important factor to consider when understanding the emphasis of organizational structure on people.

Company's hierarchy flat or tall impacts on ability of employees to perform.

A company like Gsk uses tall hierarchy model that gives its executives more power from the top down. Workers within the functional division of an company tend to perform a specific set of projects, for example the technological innovation division would be manned only with software technicians. This leads to functional effectiveness within that group.

## **1. 2 Organizational culture:**

Organizational culture of a company is the way the company does things. it drives people in collective process and support company mission (Schein, 2010). In GlaxoSmithKline employees are driven by the influence they can have on people's health. Its values guide its employee's day-to-day actions. Company values like acting with integrity, operating with transparency, and demonstrating respect for people help employees to act through. Company's accepted behaviors have surely impacts on people. Application of customer is driven behaviors make employees more loyal.

<https://assignbuster.com/how-organizational-structure-and-culture-impacts-on-people-business-essay/>

Company assumptions and beliefs strengthen employee's morality. At GSK, they believe that operating in an ethical and responsible way is the key to their success. Company's code of conduct may be the most important thing that influences performance of employees. In GSK, their code embodies the spirits of GSK, culture and sense of individual responsibility.

## **Impacts**

Company structure and culture have great influence on people. A company's structure and culture that supports its employees to speak up provide more power to them. Company's culture defines the power of individuals and the power of teams. Company's structure specifies the power of leadership and their influences. Communication channels of a company also develop regarding with company structure. Creativity is a result of good corporate culture of a company who encourages innovations.

## **2. 1 understanding how personal differences impact on individuals' behaviors at work:**

Within an organization the differences among employees is easily seen. The ability, knowledge, education and others factors differs from man to man. In the dimension of knowledge, skills and experiences everyone is not same. Who have more ability and skills about a specific job behaves confidently than others. A person's attitude also differs with others and that also make differences in behaviors (Leung, 2008).

Religion and beliefs create differences among the employees. In an organization there may exist employees from several religion, the behaviors and activities of them will be different for sure. To illustrate in GSK there are

almost 33000 employees worldwide from several religion and according to their beliefs, their daily tasks are different.

The personality of individuals within the organization affects the behavior of individuals. A person may be aggressive in his work, lead a modern life, keep high confidence level or may lead a general life that creates differences in their behaviors.

The perception and opinions about the same matter differs individuals to individuals due to psychological facts and in a organization like GSK one individual may see a project more appealing where others may not.

## **2. 2 Analysis of the management styles needed to deal with differences in behaviors:**

### **Management styles to suits different behaviors:**

Theory X and theory Y states that people of an organization can be handled in two ways. The first is generally negative, which drops under the classification X and the other is generally beneficial, which drops under the classification Y.. An company that uses theory X tends to be authoritarian in characteristics, the word " authoritarian" indicates such as the " power to use obedience" and the " right to control." In comparison theory Y can be described as " participative", people can accomplish their own objectives best by guiding their initiatives towards the achievements of the company.

theory\_x\_y. gif

A company like GSk uses both the theory as it remind its code of conduct where disciplinary actions is immediately taken when a fluctuation occurs

(theory X), and also employees are free to speak up and show their creativity (theory Y).

“ Self-fulfilling prophecy is the tendency to create or find in another situation or individual that which one has expected to find” (hunt, 2008)

Management can use this theory to boost up the productivity of employees and control their behavior as believing it in increases the confidence and unity among the workers.

The Hawthorne effect is a psychological trend which makes an enhancement in human performance that concept can be used in companies which are the result of improved attention from superiors, customers or co-workers. The impact can improve results by developing a sense of group interaction and common objective. In company this impact is extremely required by the manager. (Robert Gibbon, 2012)

### **3. Understanding the organizational factors that impact on people performance:**

#### **3. 1 The effect of leadership styles on individuals and teams:**

##### **Trait theory:**

The trait theory gives beneficial details about leadership. It can be used by people at all stages in all kinds of companies. Supervisors can implement the details from the concept to assess their place in the company and to assess how their place can be created more powerful in the company. They can get an in-depth knowing of their identification and the way they will impact others in the company (M. Stogdill, 1974). This concept creates the

administrator conscious of their pros and cons and thus they get an knowing of how they can create their authority features.

### **Behavioral approach:**

The total combination of explicit and implicit leaders' activities as perceived by the subordinates is called leadership style. It comprises the attributes of managers' philosophy, skills, traits and attitudes.

The effect of behavioral approach in organization is great, the behavioral pattern of superior affects the others and they follow these. The attitude, work performance, communication skills of superiors if are consistent can control over and influences others. (Peterson, 1998)

### **Contingency approach**

Contingency approach, work technology, and the size of a company are all determined as environmental factors affecting the potency of different business forms. According to the contingency approach, constant surroundings recommend mechanistic components that highlight centralization, formalization, standardization, and expertise to achieve performance and reliability. (donaldson, 2001)

### **Autocratic model**

An autocratic model of leadership is exactly how it is described. This design is based on a set of logic about the worker's actions and behavior, these set of logic fitted in a concept eligible " theory X". the effect of autocratic leadership is positive for management but not so appealing for the

employees. In modern days this type of approach is not valid as it hinders the employee's freedom and creativity. (Slocum, 2010)

### **Charismatic leadership:**

On the basis of the current concepts of charismatic leadership, several possible subordinates' effects were determined. It is hypothesized that supporters of charming management could be recognized by their greater respect, belief in, and fulfillment with their boss, and by an increased sense of combined identification, recognized team process, and emotions of power.

### **Effect of leadership styles:**

Leadership styles have a great impact on motivation and creativity.

Democratic approach encourages people to work more and use their creativity whereas autocratic hinders the flow of instinctive work and flexibility. Several behavioral theories increase the credibility and trust upon supervisor and that also motivate employees. Situational theory helps to create more productivity through performance and charismatic power. A well-structured leadership style is committed to communicate with subordinates and a communicative leadership style required for the success of company.

## **3. 2 Benefits of flexible working practices**

A flexible working practice benefits employees in many ways. Flexibility in working gives a high level of autonomy to the employees which are actually the process of empowerment within the company (Smith, 2011). Many big companies like Walmart, GlaxoSmithKline, Cisco implement flexible working conditions in their policy.

This is a result of trust between employer and the employees. The productivity level is may be higher when practicing this. The quality of life of employees gets better than other policy and they are shown respects through it. Others benefits are-

Reduced stress

Job satisfaction

Better paid work

There are also benefits for organizations if practicing flexible working environment. This is highly motivational for the employees which increases participation and increases creativity. Employee's productivity as well as company's productivity gets higher by practicing this. One important thing to consider when adopting flexibility is existence of enough facilities and systems to avail the flexibility.

Others benefits for organization-

Decreased absences

Gets supports to its diversity values

Retention of valuable staffs

### **3. 3 How the working environment impacts on people performance:**

The working environment impacts on people performance in organization.

According to Hawthorne effect people try to improve when they are being



studied. An organization where all working factors exist to provide flexibility in work environment employees feel obligated to work enthusiastically.

Abraham Maslow also indicated the need of a good working environment for the accomplishment of job. Good working environment is one of the needs that employees want which impact on people performance.

According to Hygiene theory there are certain satisfier and dissatisfies for employees. Intrinsic factors are related to job satisfaction such as work environment, company policies, supervising quality. This theory states that satisfier factors impact much on people performance.

### **3. 4 Assessing how organizational ethical practices impact on motivational levels:**

Organizational ethical practices are one of the important motivators that influence performance of employees.

Ethics in every aspects of business is valuable, making a good relationship with supplier and business techniques distribution increases the satisfaction of the stakeholders. Application of ethics in customer relationship is very important because it brings success. Business ethics is about doing what is right, and application of it in selling practices increase sales volume also creates a good impression on sales people. To increase the motivational level higher of employees' application of ethics in staff development is obvious. A proper way of promotion, incentives, and benefits to develop staff s increases the motivational level of an employee.

### **3. 5 Evaluating how organization uses their corporate social responsibility to motivate employees:**

A company when involves in CSR activities it tries to support community.

Several social programs

Funding, helping poor people are the way of involving in CSR. Company also plays CSR roles by developing the workforce diversity. New way of performing tasks, better and efficient way of accomplishing jobs, providing work experiences placements to the society etc agendas are helpful to motivate employees.

Mentoring and coaching general people and other related industry people is an another way to implement CSR.

Company's CSR agenda like supporting of career progression, proving enough opportunities to employees highly motivate them to work further.

Nowadays supporting in the field of environmental policy is regarded as deep involvement in CSR activities. Many big companies now involve themselves with environmental programs.

To motivate employees who are disable are employed in many companies that is also a social responsibility of a company and many companies follow it.

### **4. 1 Developing people in organizations:**

#### **Self-actualization:**

Maslow regards this as the biggest need in his structure. It is the generate to become what one is capable of becoming; it contains development,  
<https://assignbuster.com/how-organizational-structure-and-culture-impacts-on-people-business-essay/>

accomplishing someone's prospective and self-fulfillment. It is to maximize someone's prospective and to achieve something. As each of these needs are considerably pleased, the next need becomes prominent. From the standpoint of inspiration, the concept would say that although no need is ever completely satisfied, a substantially pleased need no more inspires. So if you want to encourage someone, you need to know what stage of the structure that individual is on and concentrate on fulfilling those needs or needs above that level.

### **Empowerment:**

Empowerment of employee is a strategy and viewpoint that enables workers to make choices about their tasks. Worker power allows workers own their work and take liability for their results. Worker power allows workers serve customers at the level of the organization where the customer interface prevails. This a popular way of developing people in organization.

### **4. 2 Uses of coaching and mentoring:**

Coaching is most efficient in reaction to a performance task (as compared to a abilities deficit), or when there is a need for a more natural self improvement in contrast to the studying of particular abilities. Projects and abilities are best resolved through training and guidance possibilities.

Mentoring is the form of offering support in which people with more innovative experience and information (mentors) are printed with smaller experienced and experienced people (mentees) for the purpose of improving the mentee's growth. Generally, guidance is efficient studying solutions where there are particular tasks to be perfected or skill-sets those workers

need to create to deal with a changing situation. Mentoring is also an efficient information transfer strategy and can sleek a worker's conversion into management from another role.

### **4. 3 Analyzing the benefits of training and developments to individuals and organizations:**

1. Employees are helped to focus, and priority is placed on strengthening workers.
2. Productivity is improved, favorably impacting the main point here.
3. Employee confidence is built, keeping and developing key artists, allowing group development and causing better team/organization comfort.
4. Employees are kept current on new job-related information, thereby adding significantly to better customer support.
5. Employees are modified on new and improved abilities, with a view to aiming them to company goals and goals.
6. After a downsizing, staying personnel are given the technical and management techniques to handle improved workloads.
7. Companies with company problems are given a fresh or impartial professional opinion or discovery, assessment, or review.
8. Job satisfaction, worker inspiration and comfort are improved, reducing worker revenues.

## **5. 1 People management strategies used in a organization:**

Managing people successfully in expansion programs is a expertise that needs continuous planning and growth. An expansion program administrator can be described as the person who is interested with official power over a company or one of its sub models. He or she has position that results in various social interaction, and from this comes access to details. Information, in turn, allows the administrator to develop techniques, make choices, and apply actions.

## **5. 2 Impact on people of management strategies used in organizations**

More officially described, management of people is the procedure by which people, technology, job projects, and other resources are mixed and synchronized so as to effectively achieve business goals. A procedure or function is a number of related activities causing a bigger action.

Management features are based on a common viewpoint and approach.

They center on the following:

1. Creating and making clear objective, guidelines, and goals of the organization or organization
2. Creating official and casual business components as a means of assigning power and discussing responsibilities.
3. Setting main concerns and examining and changing goals in terms of changing demands

4. Keeping effective communications within the working team, with other groups, and with the bigger community
5. Selecting, motivating, training, and analyzing staff
6. Obtaining funds and handling budgets; analyzing achievements and
7. Being responsible to team, the bigger business, and to the team.

### **5. 3 strategies to promote high levels of performance in organizations**

A company to promote its performance level of employees takes some strategies as giving incentives, provide bonus schemes. Sometimes it raises salary incrementally, and finally managers can improve job satisfaction level to get the expected performance.

Improving worker involvement without increasing costs, offering worker benefits improves involvement and cuts expenses, while maintaining satisfaction and storage rates. Signaling that the company is Considered as a modern company, providing modern benefits roles for business's product to leads as an company that goes above and beyond to care for its workers.