

# The advantages and disadvantages of organization culture business essay



The values and the behaviour of the organization that describes how the organization treats with its employees, suppliers, customers and wider community and in response of that behaviour and values of the organization how the employees, suppliers and wider community treats with the organization is called organization culture. Organizational culture defines the commitments of the employees towards its vision, mission, goals and objectives. Organization culture includes its experience, expectations, values and philosophy that hold all the stakeholders of the organization in an effective and efficient way.

## **1. 2: Types of Organization Culture:**

There are four types of organizational culture that are:

### The Clan Culture

The clan culture is very friendly and social environment in which employees shares their experiences, success stories, and problems etc with each other. All people in the organization behave and treats with each other just like a family.

### The Hierarchy Culture

It is very formal type of culture, a set of rules, procedures and policies are supposed to be followed. In this type of culture rules and procedures define what to do and how to do.

### The Adhocracy Culture

It is a dynamic entrepreneurial environment of working. New ideas and innovations are welcomed and encouraged by the organization. In this type risk taking is present in high rate.

### The Market Culture

This is the most pragmatic culture. In this culture organization is just concerned with the goals of the organization. It focuses on result oriented approach. People are more concerned and evaluated on achieving goals and competition.

## **1. 3: Advantages and Disadvantages of Organization Culture:**

All types of cultures have some advantages and disadvantages. The Clan culture has the advantage of more supportive environment in the working area. Employees love to help each other and it brings a lot of success for the organization. The disadvantage of this culture is that people become more lenient they waste most of time in discussion rather than work.

The hierarchy culture provides strict environment that is disadvantage but it produce more result that is advantage. The adhocracy culture brings innovation that is advantage and it faces many losses as it is more risk aversion that is disadvantage. The market culture main advantage is it complete and achieves goals in time whereas its disadvantage is that it has no innovation.

## **1. 4: Organizational Structure:**

The hierarchy arrangement of the organization, its authority lines, communication channel, rights and duties of the organization is the organizational structure. How the roles, responsibilities and power are assigned and how the activities is controlled are described in organizational structure.

## **1. 5: Types of Organizational Structure:**

There are two types of organizational structure centralized and decentralized structures. In centralized structure top management has all the decision making powers whereas in decentralized structure the decision making power is divided in the departments.

## **1. 6: Structure of Tarmac Company:**

Tarmac Ltd has decentralized structure. It has given the authority to employees to take decision if they find it necessary. Tarmac Ltd has clear vision to retain its employees for long time. The human resource department of Tarmac Ltd has ensured to keep staff from recruiting to managing their skills. This company has mission to be the first choice in market for building material and services and to achieve that mission it has more focus to retain its employees.

## **1. 7: Advantages and Disadvantages of Tarmac Company Structure:**

As the Tarmac Company has decentralized structure so this company has more advantages than disadvantages. As the company mission is to be number one in customer choice so it has more focus on the satisfaction of

the employees because Tarmac Ltd knows very well that no company can excel of progress if the employees are dissatisfied. The main advantage of this structure for the Tarmac Ltd is that it has committed employees who are keeping themselves busy to gain company's mission.

### **1. 8: Structure of Rent a Car Enterprise:**

Rent a Car Enterprise has both type of structure centralized and decentralized as well. Some teams' leader of this company employs autocratic style and some of them have democratic style.

### **1. 9: Advantages and Disadvantages of Rent a Car Enterprise Structure:**

The advantages for Enterprise structure is that it has committed and good skill employees whereas the disadvantage is that some employees are not satisfied because they don't have decision making power.

## **Task 2:**

### **2. 1: Relationship between Organizational Culture and Structure:**

Organizational culture is the main theme of the organization. It depicts a broad picture of the organization and organizational structure works within that picture. It is difficult to distinguish one from another. Organization culture defines the working of the organization in details and organizational structure is one of those working.

## **2. 2: Effects of Culture and Structure on Organization's Performance:**

The main purpose of any organization is to earn profit and the organizational culture and structure plays an important role in achieving that purpose of the organization. The stronger the culture and structure of the organization results in more competitive advantages over the competitors.

## **2. 3: Effects of This Relationship on Tarmac Company Performance:**

The relationship between culture and structure of Tarmac Ltd has good effect in the company's performance. This company wants to be number one in customers' choice and for that purpose it has adopted such policies that are taking this company to its mission. The employees are working good as they are satisfied with company's policies and benefits. Overall this relationship has positive effects on the company's performance.

## **2. 4: Effects of This Relationship on Rent a Car Enterprise Performance:**

Effects of relationship in Rent a Car Enterprise is mixed as it has mixed management structure. Some of employees are contributing very well and they want to meet company's vision but at the same time some employees are facing difficulties during their work as they are facing autocratic management style.

## **Task 3:**

### **3. 1: Definition of Behaviour:**

The reaction of an individual under some circumstances to some specific actions defines the behaviour. A set of mood, values, perceptions, judgement power defines the behaviour of and individual.

### **3. 2: Factors Influence Individual Behaviour at Work:**

#### Demographic

Socioeconomic background, race, education, gender and education etc are the factors that influence individual's behaviour at work.

#### Abilities and Skills

The level of individual abilities and skills towards the work is another factor that influences individual's behaviour at work.

#### Perception

How individual look and perceive the situation and its consequences is also a factor that influence individual's behaviour at work.

#### Attitude

Attitude towards vision, mission and objectives of the organization is also a factor that influences individual's behaviour at work.

## **Task 4:**

### **4. 1: Definition of Management:**

The process of planning, organizing, leading, controlling and dealing things and people in the work place or in the organization defines the management.

### **4. 2: Importance of Management in Organization:**

Management leads the organization working towards its mission, vision and goals. Management defines how to plan the process of the working in the organization and how to take that planning to its final logical end. The stronger the management of the company means the more effective and efficient working of that company. All the tasks in each department of the organization is dependent on the management policies, regulations directions and guidance.

### **4. 5: Definition of Leadership:**

The activity or ability to lead a group of people in the organization to achieve organizational goals in effective and efficient manner is called leadership.

### **4. 6: Importance of Leadership in Organization:**

Leadership is responsible to establish a clear vision and sharing that vision with employees in such a way that they follow that vision without having any problem or ambiguity. Leadership provide proper and enough information regarding that vision and if any conflict occur then leadership has the responsibility to overcome that problem and keep the working of the company on right track.



## **Task 5:**

### **5. 1: Tarmac Company Approach Regarding Leadership or Management:**

In Tarmac there is no much in reference to leadership qualities. The managers are just following the instructions and they are just concern in a limit to complete company's overall mission and vision.

Tarmac company has clear management approach. It has more focus on how to recruit, train and train their employees. The management makes clear plans for the employees to complete and also controlling policies if employees face difficulties during operations.

### **5. 2: Rent a Car Enterprise Approach Regarding Leadership or Management:**

The Enterprise has great selection of leadership approach. It has many leaders who are trained with leadership qualities in organization. The company has huge focus in leadership to complete any task. It has number of teams under one leader who is bound to complete the task within time frame.

The Enterprise Company has mixed management approach. It has more focus to retain leaders than motivated and committed workers. The leaders in this company who are following democratic style they are managing the team in well manner whereas the teams under autocratic style are facing very tough time.

## **Task 6:**

### **6. 1: Definition of Motivation:**

The force, reason or interest of an individual to do some specific task or work under some specific conditions is the motivation of that individual.

### **6. 2: Motivation in Work Place:**

Motivation in work place can be gaining incentives, rewards, fear of penalty, goal and task achievement within time limit, career growth, gaining power, getting promotion etc.

### **6. 3: Types of Motivation Theories:**

There are two types of Motivation intrinsic motivation and extrinsic motivation.

Intrinsic motivation means the motivational stimuli of an individual are coming from within its mind. Performing a specific task just for internal satisfaction because its result is accordance to the belief or just to fulfil a specific desire doing some specific work is done by intrinsic motivation. For example working hard to win employee of the month award.

Extrinsic motivation means the motivational stimuli of an individual are coming from outside. To win an external reward, in simple words performing some task to achieve because that task is controlled by outside source. For example completing a task to win bonus or to increase incentives salesmen sales large number of products.

## **Task 7:**

### **7. 1: Motivational Theories in Tarmac Company:**

Tarmac Company has both motivational theories that are intrinsic and extrinsic. Employees are satisfied as they are able to find inner force and outer force to work in this organization. Employees have decision making power and they are also awarded with incentives and bonuses on the completion of task.

### **7. 2: Motivational Theories in Rent a Car Enterprise:**

The Enterprise has both motivational theories but in a mixed way. The some of the employees have only extrinsic motivational force, some have intrinsic force and some have both motivational forces.

## **Task 8:**

### **8. 1: Definition of Team:**

A group of people working together to gain one specific mutual goal is called a team. All the members of team has some specific complementary skills and competencies to work together to gain one specific goal. The team work is very important and crucial part for any organization because it is very necessary for each team member to contribute equal role and input to gain their goal without involving any personal conflict. Team members cooperate with each other by giving constructive feedback to each other and helping each other to their best of skills.

## **8. 2: Definition of Group:**

A collection of individuals who meet with each other on regular basis is called group. They shared their ideas with each others, have common feelings, mutual influences, and frequent interaction.

## **8. 3: Difference between Team and Group:**

The main difference between team and group is achieving goals. A team has to gain and achieve one specific goal whereas a group can have many multiple and different goals to achieve. In simple words a team is a sub unit of a group. For example in an organization different teams work within one group like in sales department group one team will be supposed to enhance sales, other team will be supposed to enhance promotional activity of the products and one team can be the management team that will control both the teams. But purpose of all teams is to gain the mission of the company.

## **8. 4: Nature of Team and Group Behaviour in Tarmac Company:**

Tarmac Company has only group in the organization. All are busy and directed to gain one mutual goal. The mission of the company is to be first choice for building material and services and to gain this mission each and every employee of the company is contributing with full honest and dedication.

## **8. 5: Nature of Team and Group Behaviour in Rent a Car Enterprise:**

The Enterprise has both positive and negative behaviour of team in the organization. As Enterprise has more focus on building teams than group so

different teams has different management styles and that's why different teams has different behaviour. The team members who are enjoying working in team they have very positive and motivated behaviour and vice versa.

## **Task 9:**

### **9. 1: Effective Factors of Team:**

#### Leadership

The leadership is the most effective factor for any team. This is the only leadership that can take team to its logical end. Teams are solely dependant on effective leadership.

#### Shared Vision

Teams can perform more effective and efficiently if the vision of the team is clear and shared equally with each team member. Vision of any task or team needs to be discussed and communicated to all members clearly.

#### Attitudes and Commitment

The team members' attitude and commitment towards goals is very important. If the team members are committed and well aware with the outcomes of their tasks then their attitude towards work will be more effective and efficient.

#### Mutual Trust

Team will perform well if all the members have mutual trust on the result of the work. The team members have to be well educated and well aware with the benefit of the outcomes of that work.

## **9. 2: Effective Factor of Tarmac and Enterprise:**

Both companies have effective factors in their teams like in Tarmac

Company the management has shared its vision and mission with employees clearly and everyone knows that what the company wants from them that's why they show good attitude and commitment to the company's mission.

The teams of Enterprise has mixed effects of these factors in their team members like some of the team members who are facing democratic leadership style they have positive effects and the team members who are facing autocratic leadership style they have negative effects. Overall teams in the Enterprise Company have posses committed and well attitude employees by having mutual trust.

## **9. 3: Threat Factors of Team:**

Competition

The competition within the team can be threat for the team. Competition usually encourages the team members to disrespect each other in sense of gaining maximum reward from team leader or the organization.

Personal Conflict

Personal likeness and dislikeness tends to conflict within the team and this personal conflict is also the threat for the team.

## Disagreement

The urge of competition and gaining more appreciation from organization leads the team members on a point of disagreement. This is the threat factor for team.

### **9. 4: Threat Factor of Tarmac and Enterprise:**

Like effective factors both companies have some threat factor in the teams.

In Tarmac employees are facing high competition in race of winning incentives and bonuses and this competition has increased much conflict within the teams. Everyone in Tarmac wants to achieve more and more incentives than others. In Enterprise the disagreement is at peak. Many team members do not agree with the decisions of their team leader but they have to follow because they are facing autocratic leadership style.

## **Task 10:**

### **10. 1: Technological Role in Business Success:**

Technological advancement and achievement has proven itself as a main key factor for the success of the business. The involvement of the technology has reduced working time in the organization. The manufacturing process has been exceeding at a rapid pace and it also reduced the daily costs for the company. Implementing technology is one time investment for any organization and the positive outcomes for that investment can be gained for a long time period.

## **10. 2: Technological Role in Tarmac and Enterprise:**

The technology has very vital role in both organizations. Both companies are using technology in its operation on a wide range. The usage of technology for both companies has reduced the time for their products and services. Tarmac is using technology for new ideas and innovation in its building material and Enterprise for its renting car services. Technology has taken both companies to their maximum profit earning level.