

CONSIDERATION OF MORRISON ORGANISATION ENVIRONMENT AND HOW THAT IMPACTS UPON ITS DESIGN

(University Logo)

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INTRODUCTION

() noted that the external environments in which the organization is positioned plays a vital role in declaring the organizational structure and design of the organization. For instance, the profitability versus the non-profitability of the organizational business strategy is determined by a holistic analysis of the internal organization's system and the external industrial environment in which the firm operates (Hevner and Chatterjee, 2010; Karpen, et al., 2017; Shanafelt et al., 2019). This is the reason why a large number of external environment or factor analysis tools have been developed which determines the efficacy of the organizational resources and internal operation system and the external market's attractiveness in terms of its profitability (Abd Ghani et al., 2010; Antonelli et 2013; Ben Ruben et al., 2017). A successful and well-constructed organizational design is one that is responsive to the changes to the external environment but in a positive manner.

EXTERNAL ENVIRONMENT OF MORRISON

Morrison's business strategy has been designed to offer best quality services at a reasonable price. Though, the company is not renowned for providing high-end service but the affordability of its products have made the company relevant in the industry. Morrison is the UK's fourth largest super-market which is a profit-making organization (Ujournunna, 2019). However, in order to study the impact of the external environment on organisational design of the company, it is adequate that the use of PESTEL and Porter's Five Forces Analysis must be done. The brief findings of the analysis has been listed below:

- UK is facing tough times in terms of economic performance due to the Covid-19 outbreak that shed heavy burden on the country's national economy through healthcare needs.
- Brexit has impacted the workings of some of the largest retail businesses in UK because of limiting the movements and increasing the transportation costs of the firms who used to manage a regional procurement system.

- There are few strong industry dominators in the retail and food product industry such as Starbucks, McDonalds, Walmart, Tesco, and Dunkin Donuts which enjoy the status of a global brand in the consumer perceptions and the corporate world.
- The technological advancements in the state has provided the opportunity to the firm to exercise an automatic supply chain and procurement system which is quick and also adaptive to satisfy the demands of both peak and normal times.
- The industrial history has noticed a wide range of negative impacts on the brand reputations and performances of some of the key industrial players due to either unlawful or unethical practice. For instance, the case of Walmart where the non-compliance to the industrial supplier demands resulted in costing severe loss to the organisation (Islami et al., 2010).

IMPACT ON DESIGN

Noticing the impacts of the external environment, Morrison has maintained a Functional Organizational design as it provides the organisation to maintain a single hierarchical structure which has separate functions designated to each layer and ensures a smooth performance. The political, legislative or corporate environmental factors can have negative impacts on the organisational performance. However, a successful organisation can mitigate the negative impacts of these factors. For instance, Morrison has maintained a local production base with national procurement and supply chain structure which saved the organisation from the environmental uncertainties and provide more control to the organisational leadership. The technological factors have provided Morrison to implement JIT (Just-In-Time) production approach and saved the food wastage by the company that is also positive to the environmental and corporate law provisions. Moreover, the competitive forces in the environment affect the OD. It is the organisation's responsibility to respond adequately to these environmental needs to ensure that these environmental factors can be exploited to provide benefit to the company (Chen et al., 2013). Morrison believed in the satisfaction of the stakeholders and suppliers by maintaining

a perfect balance between the price and quality of the offerings unlike its other retail competitors such as Walmart which focused drastically on the cost-effectiveness to achieve competitive advantage (Haleem and Jehangir, 2017). Also, noticing the immense competition and rivalry of the industrial players, the Morrison has posited a product-stewardship based organisational structure through personal manufacturing and continuous staff training and skill development to ensure that the quality is maintained and information flows are smooth across the organisational structure. Lastly, realising the industrial toughness and the bargaining power of the consumers, Morrison has maintained supply chain integrity in its organisational design to ensure that both quality and affordability is sustained throughout the transformation process.

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