

3CO01 BUSINESS CULTURE AND CHANGE IN CONTEXT

Table of Contents

Task- Information sheet.....	2
AC 1.1 Key External Influence.....	2
AC 1.2 Organizational Goals and Important.....	3
AC 1.3 Product and Services.....	4
AC 1.4 Technology Available to People Professionals.....	5
AC 2.1 Organizational culture.....	5
AC 2.2 Whole system.....	6
AC 3.1 Planning and Managing the Workplace Change.....	7
AC 3.2 Different Roles by People Practice.....	8
AC 3.3 Organizational change impacts people in different ways.....	9
Reference list.....	10

Task- Information sheet

AC 1.1 Key External Influence

PESTLE analysis

Factors	Elucidation
Political	<ul style="list-style-type: none">• CST commission supports the domestic Telecom service.
Economic	<ul style="list-style-type: none">• \$3500 is the per capita income of this country (swotandpestleanalysis.com, 2023).• 680 billion is the GDP rate (swotandpestleanalysis.com, 2023).
social	<ul style="list-style-type: none">• The country has majority of youngest population.• About 34.2 million is about the number of youngest populations (swotandpestleanalysis.com, 2023).
Technological	<ul style="list-style-type: none">• The company also provide a faster 5G network to the customers which helps to retain them.
Legal	<ul style="list-style-type: none">• Majority of the company follows labour law.• Companies in this country follow the KSA Company's law.
Environmental	<ul style="list-style-type: none">• About 608 million MtCo2 is made by carbon emission. (statista.com, 2023).

Social factor: After analysing the PESTLE analysis, it is clearly shown that Saudi Arabia contains the largest youngest population. Here, the company decided to implement a faster network and also provide a 5G speed network facility to satisfy the customer. Besides this, the employees get a career growth opportunity in this company, but due to the low experience of the youngest population, the company make different training sessions to upgrade their knowledge and skills regarding the Communist industry. Thereby, the company has to bear the cost of training to fill the skills shortage which is the disadvantage of this factor.

Economic factor: Most of the youngest population of this country has a luxurious lifestyle with a GDP rate of 680 billion (statista.com, 2022). The per capita income of this country is also \$35,000 which is determined that the country provides large financial support in the

tele-communist industry. With the high financial support, STC decided to expand their business and provide a 5G network and faster network to the customer to satisfy their demand and also retain them (stc.com.sa, 2022). Along with that, the company also gets a large number of resources with the high value of the economy which helps the company to develop future projects and build a better service strategy. However, the company has to bear high costs to maintain a high GDP which is the disadvantage here.

Technological factor: Due to the high value of the economy and financial support, the company is currently investing 35% of its annual budget in AI automation. The company also provide a faster 5G network to the customers which helps to retain them (stc.com.sa, 2022). The company also aim to provide high-quality networks as the youngest population of this country prefers smart customer service. Currently, the company is facing high competition from small companies which is operating tech innovation. Thereby, the company is facing challenges which is the disadvantage here.

AC 1.2 Organizational Goals and Important

An organisational goal defines the general targets which the executive sets for the organisation. Here, the management guides the employees by providing training and expects organisational success (Al Humssi *et al.*, 2023). In this context, the companies have two important goals which are discussed below:

Goal 1: STC has the fundamental goal to develop the highest level of transparency, fairness and accountability, which leads to improved operational efficiency and also maximises the shareholder.

Importance of Goal 1: The company STC focused on meeting the customer's aspirations and fulfilling their demands and needs in terms of achieving goal One. The company also provide comprehensive solution and innovative decision where the company focuses on the latest technology, and concept and improving industry quality standards (stc.com.sa, 2022). Besides this, the company focused on seeking customer feedback that helps the company understand the actual requirements which improve customer retention.

Goal 2: STC always focuses on improving the brand value and emphasise developing sustainable and desirable performance level which maintain the brand reputation.

Importance of Goal 2: The second goal of the company is to improve the brand value and maintain its reputation by developing sustainable and desirable performance levels. Here the

company focused on providing high-quality service and a 5G network which is a faster network that helps to satisfy the customer needs and improve the reputation and brand value (stc.com.sa, 2022). Besides this, the company also uses the power of social media it connects with the customers analyse their feedback on social networking channels and understand their needs.

AC 1.3 Product and Services

A product of the company is considered a tangible item which put on the market for consumption, attention and acquisition but the service of the company is considered an intangible item and it is the way the products are distributed to the customers. STC is mainly a service-based company where the company offers fixed mobile data services and landlines. Along with that the company currently started investing in next-generation networks.

Customer of STC

Gender: STC has both female and male customers

Age: The age group of maximum customers were under 20 to 70.

Income strategy: The income strategy in this company is middle-income category, lower-income category and upper-income category

Geography: Urban area.

Needs and interests of STC

The majority of the customers in Saudi Arabia or under young adulthood are in the age group of 25 to 40. The demands of the customers at high speed and high-quality mobile network.

Customer needs: The majority of the customers demand a 5G network facility as it is a high-quality network. Along with that, the customer wants reliable and better-quality service. In order to retain customers, the company decided to reduce the cost.

Customer interest: Here, the customer choice and interest are to get a faster network and reliable and trustworthy services. Besides this, the customer wants a high-quality network at a low cost.

AC 1.4 Technology Available to People Professionals

Automation: Automation is an important technology which provides error-free documentation without any human intervention (Berezney, 2019). People professionals use

this technology to accomplish different areas of work at a single time without any human intervention and more accurately. The advantage of using this technology is it provides accurate information by tracking employee performance. Another advantage it creates error-free documentation. The disadvantage here this technology is without a critical thinking approach which creates difficulty in taking any strategic decision. However, the people professional of the company STC currently uses 35% of the annual budget on investing in AI automation to generate error-free and accurate documentation.

Social media: People professionals use this tool because it helps them to understand the needs and demands of internal stakeholders. To maintain a positive environment and improve the company's growth (Björk, 2021). It is very necessary to understand the stakeholder's demands, ideas and needs and accordingly, the people professionally analyse the feedback from social networking channels. Based on the feedback, people professional make strategic decisions and make changes to the company's plan. The disadvantage of using this approach is lack of supervision which is very common in social networking channels.

AC 2.1 Organizational culture

The term organisational culture is considered as the collection of expectations, values and practises, that guide and inform the actions of all organisational members (Bratton *et al.*, 2021).

A positive organisational culture is about a positive attitude that improves the overall communication between the organisational members and leads to increased productivity (Cosenz and Bivona, 2021). Here, the job satisfaction level of employees is high which improves their performance level.

A negative organisational culture means an uncooperative culture, poor empathy high work pressure and poor flexibility, which affect the employees' performance and downgrade productivity (Dam and Dam, 2021).

In terms of creating a positive work culture, the people professionals make different plans. Here, the people professional decided to diversify the work culture and hire employees from different cultural backgrounds (Gaspary *et al.*, 2020). Different perspectives from different cultures people can create innovative and attractive discussions, which improves the brand's reputation. Besides this, the people professionals also focused on making the workplace inclusive where they provide equal opportunity and analyse individual needs and demands.

Apart from this, the people professional focused on making a value-based work culture where the employees are making strategic decisions which helps to make the organisation productive (Pérez-Lara *et al.*, 2020). Besides this, the people professional arrange wellbeing programs, and employee recognition programs to improve the employees' mental satisfaction and support and it leads to improved performance and building an effective work culture. The people professional also make planning how to improve the employee's skills and accordingly provide innovative training to make the employees effective and increase their performance and it also helps to make an effective work culture.

AC 2.2 Whole system

The whole system defines the way to explain and describe organizational behaviour. Besides this, it focuses on the individual parts, actions and performance (Pérez-Lara *et al.*, 2020). Along with that, this model is based on every organizational action which impacts the other parts of the company.

In the case of STC, the company focused on sharing standards, values and attitudes which help to satisfy the demands and needs. Besides this, the people professionals have a crucial role here in creating a positive environment and the customers are satisfied. Based on the customer experience, it will determine the good people practice and the bad people practice.

Good people practice: Good people practice means the people professional of the organisation focused on motivating the employees and providing encouragement by which the employees feel prioritised and they provide their contribution to improving the overall performance (Saeed *et al.*, 2019). Besides this, the people professional implement this training session for the employees and aims to upgrade their knowledge and experience. This kind of initiative helps the employees stay motivated and fosters the happiness of the employees. For example, the people professionals of our organisation emphasise conducting need analysis to understand the skill gaps and based on that they provide training.

Bad people practice: Bad people practice simply means the people professional have no such role in improving the employees' condition (Samusenko *et al.*, 2020). Here, the people professional is uncooperative with the organisation and does not focus on the employees' growth and performance. Thereby, the employees feel depressed and neglected which leads to turnover and damage the performance.

AC 3.1 Planning and Managing the Workplace Change

Predict change: Organisational change is necessary to boost the employees' happiness, and job satisfaction and positive change also helps to build the competitive advantage. Therefore, people professionals emphasise analysing external factors, risks and opportunities. The people professionals conduct SWOT and PESTLE analysis to understand the opportunities and based on that they make strategic decisions to gain a competitive advantage (Samusenko *et al.*, 2020). Technological changes are a very important factor where they implement advanced training processes to make the employees innovative and upgrade their skills to gain a competitive advantage.

Technology: The people professional of STC currently using 35% of the annual budget on investing in AI automation to generate error-free and accurate documentation. This is because technological change is necessary to make the employees innovative by upgrading their knowledge and skills. Besides this, the company made changes in digital services and implemented faster networking technology to retain customers. The people professionals also implement advanced training processes to make the employees innovative and upgrade their skills to gain a competitive advantage.

Competition: Competition is a crucial factor in managing changes. Here, the company STC analyse the current market trends and based on that upgrade's organisational factors. Besides this, the competition between the organisational staffs leads to increasing the performance level. Because the staffs provide their efforts and contribution to perform better and get a promotion which automatically improves productivity.

Implementing change: Lewin's Change management model provides a logical and clear framework and helps to address and change based on the emotional aspect of the employees and accordingly make changes (Sivathanu and Pillai, 2018). In the stage of unfreezing, the people professional gives a brief knowledge about the necessity and benefits of change to the employees by which they can understand the importance of it. The next stage is change and it is about implementing the actual change where the employees face difficulty to adapt with new changing culture. Here, the people professionally support employees psychologically and provide them with different training to which they can adapt easily. The next stage is refreezing and here the employees start to cope with new changes and move towards the new goal by providing their contribution.

AC 3.2 Different Roles by People Practice

Record keeper: In the case of change management, the role of record keeper is important as they maintain different factors of organisation such as employee complaints, health records and performance, and many others (Stouten *et al.*, 2018). In terms of change management, the record keeper tracks the employee performance and records all crucial information while the employees add up with new changes. In this case, the record keeper aims to make effective decisions by analysing their performance and the ability to adapt regarding this change implementation. Apart from this, the record keeper keeps records of her new employees and based on that they provide crucial training with new changes.

Facilitator: In terms of change management, the role of the facilitator is very important as they focus on identifying the performance gap or skill gap of the employees and based on that they provide training (Sudiardhita *et al.*, 2018). During the change management, the employees want to fight for every kind of guidance to the employees by which they can achieve the new target or vision of the company. Thereby, the employees can adapt to the new changes easily and can achieve the organisational objectives. The facilitator speaks to the organisation and members and the organisational members can share their issues and problems with them regarding the changing environment.

Champion: Champion is also an important role of people professionals during change management (Tangs, 2019). This is because a champion provides motivation to the employees by which they can reduce their fear and increase their confidence level regarding new changes or new versions of the company. A champion can be the inspiration for the employees in a new changing environment which decreases their fear and achieves the organisational goal.

AC 3.3 Organizational change impacts people in different ways

While the change occurs in the organisation, it impacts employees in various ways which are discussed below:

Changing employee role: While the role of employees changed during the new environment, the employees feel challenged and face issues in adapting. Concerning this, the people professional provide crucial training to upgrade the knowledge with new changes by which they feel safe during the organisational changes (Tidd and Bessant, 2020).

Financial situation: During the changing environment, the employees' performance becomes downgraded and negative within the organisation. Poor performance is the reason for poor productivity and creates a financial crisis (Tuzovic and Kabadayi, 2020).

Technology: Technology is an important factor that helps employees adapt to new changes. The people professional provides advanced training, quality, training, and soft skills training by which employees can feel secure and easily adapt to the new changing environment (Xie *et al.*, 2019).

Motivation: This important factor motivates employees and improves their efficiency and performance. The people professional provides training to the employees and rewards them to retain the employees in the new changing environment (Yong *et al.*, 2020).

Mental health: While the change occurs in the organisation, most of the employees feel depressed and demotivated by the new organisational culture (George *et al.*, 2019). Thereby, the employees are under poor mental health conditions and the people professionals arrange well-being programs, and recognition programs, to support the employees psychologically and prevent their stress.

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