

# Organizational Design & Process Management



## IBMS208 Group A:

Armando Groeneveldt	0820935
Thomas Kraan	0844145
Tjeerd Traats	0849385
Thomas Vos	0848735
Ishitar Westenberg	0851395

## Table of Contents

Introduction .....	2
1. Company Profile .....	3
2. Ethical Problem-Solving and Decision Making .....	4
2.1 Organizational Decision Making Process .....	4
2.2 Main Ethical Issues .....	5
2.2.1 Critics' Point of View .....	5
2.2.2 Starbucks's Point of View .....	6
3. Organisational Structure and Organisational Culture .....	9
4. Process Management: Business Process Mapping.....	11
Conclusion.....	13
Appendix .....	14
Bibliography .....	17

## Introduction

In this document you will find a portfolio based on the analysis of Starbucks using the theoretical modules. We have chosen to build a portfolio about Starbucks because there are a lot of opinions about the company. Some people credit their mission and the view of a fair world and sustainable focus. But others dislike the way they use the system to gain an advantage over tax laws and competitors. In this document we will elaborate on the organizational design and process management within the company discussing the ethical problem-solving and decision making, organizational structure and culture and the way processes are managed.

## 1. Company Profile

Starbucks was first opened in 1971 in Seattle's historic Pike Place Market. The name Starbucks is inspired by the first mate in the novel Moby Dick which gives it a sort of romance of the high seas and tradition of the early coffee traders. Its logo is a twin-tailed siren from Greek mythology.



After leaving the company, Howard Schultz bought the company in 1987 and implemented his vision that grew since he traveled to Italy and became captivated with Italian coffee bars. His vision was to bring the Italian coffeehouse tradition to the United States and create a place for conversation and sense of community. This is where the Starbucks foundation was set of a company that is actively participating in community programs. Therefore Starbucks' mission statement is "to inspire and nurture the human spirit-one person, one cup and one neighborhood at a time."

Since then Starbucks has grown to be the biggest premier roaster and retailer of specialty coffee in the world. With more than 18.000 stores and operating in Argentina, Aruba, Australia, Austria, Bahamas, Bahrain, Belgium, Brazil, Bulgaria, Canada, Chile, China, Costa Rica, Curacao, Cyprus, Czech Republic, Denmark, Egypt, El Salvador, England, Finland, France, Germany, Greece, Guatemala, Hong Kong/Macau, Hungary, Indonesia, Ireland, Japan, Jordan, Kuwait, Lebanon, Malaysia, Mexico, Morocco, New Zealand, Netherlands, Northern Ireland, Oman, Peru, Philippines, Poland, Portugal, Qatar, Romania, Russia, Saudi Arabia, Scotland, Singapore, South Korea, Spain, Sweden, Switzerland, Taiwan, Thailand, Turkey, United Arab Emirates, United States and Wales.

Starbucks went public on June 26, 1992 at a price of \$17 per share and closed trading that first day at \$21.50 per share. Starbucks was incorporated under the laws of the State of Washington, in Olympia, Washington, on Nov. 4, 1985. Starbucks Corporation's common stock is listed on NASDAQ, under the trading symbol SBUX.

## 2. Ethical Problem-Solving and Decision Making

### 2.1 Organizational Decision Making Process

*'The corporate headquarters is called the Starbucks Support Center which reflects central management's role as an information and support provider, not an autocratic decision maker.'*

Howard Schultz, Starbucks founder

#### Organizational challenges

Organizational challenges will constantly arise in an international business; therefore, Starbucks learns how to manage integration and responsiveness. This part is very important to understand the decision making within this company.

#### Integration

Starbucks divides up its company into different geographic regions. Each geographic region has its own needs and desires. By dividing the world into different countries or regions Starbucks is able to break down the differences and similarities between markets. By breaking down its global market into smaller geographic areas, it is capable of being more flexible and responsive to varying needs and wants.

#### Example

Starbucks normally enters a market by joint venture or acquisition of various national companies in order to gain a hold on the cultural differences within each new geographic region

#### Responsiveness

Another organizational challenge is to create worldwide learning through cross-border knowledge management. Starbucks does it mainly through its relationships with customers, suppliers, alliance partners, and its own employees.<sup>1</sup> Starbucks's relationship with its suppliers is one of the best in the coffee industry with its focus on insuring not only their continued profitability but also the profitability of the farmers. Apart from this, Starbucks strives to make every employee a "partner" in its business by offering different stock options. By doing this, the company encourages worldwide learning.

#### Decision making

Like the quote above mentioned, the board is not deciding by what they think is efficient and effective. The board has of course the biggest influence on the company itself, but probably communication with employees is the biggest value to them. Because Starbucks uses joint ventures, the board works together with shareholders in different types of areas. The shop managers who have contact with daily Starbucks clients inspire the board. Starbucks understands that decisions can be based on perceptions of individuals, influenced by upbringing, beliefs, or current state of mind. Therefore the "Ethical Decision Making Framework" is provided. This framework guides decision makers in a proper working behaviour.

It is divided into six points<sup>2</sup>:

1. Identify the ethical problem.
2. List possible solutions (what could you do?) and any obstacles to resolving the problem.

<sup>1</sup> Gulati, R., Huffman, S., & Neilson, G. The Barista Principle - Starbucks and the Rise of Relational Capital. 2008. <<http://www.relationalcaptialgroup.com/downloads/TheBaristaPrinciple.pdf>>.

<sup>2</sup> Hawks, M., Kembell, B., Kembell, S., Olsen, L., & Perry, L. "Catching the Starbucks Fever". Academicmind. (October 17, 2008). Web. June 22 2013. <<http://www.academicmind.com/unpublishedpapers/business/marketing/2002-04-000aag-catching-the-starbucks-fever.html>>.

3. Seek input from others, if appropriate.
4. Determine the best approach (what should you do?).
5. If the path isn't clear, ask for guidance.
6. Follow through on your decision.

In addition the framework provides the following statements:

1. As an employee (decision maker) you are supported by Starbucks in doing the right thing and doing business with integrity.
2. The decision maker is supported, that means he/she can have help if needed.
3. The decision maker has responsibility in ensuring Starbucks work environment and protecting the company's culture.
4. Everyone has a voice. If the decision maker thinks something is going wrong within the company, he/she has to say it.

## 2.2 Main Ethical Issues

### 2.2.1 Critics' Point of View

There is an ethical battle between Starbucks and its customers, even though Starbucks is one of the most ethical retailers according to the Ethisphere Institute.<sup>3</sup>

Ethisphere used professors, organizational leaders, attorneys, government officials, and their own members who measure the criteria as "good, smart, business, and profit," which includes<sup>4</sup>:

- Corporate Citizenship & Responsibility
- Corporate Governance
- Innovation that contributes to the Public Well Being
- Industry leadership
- Executive leadership and Tone from the Top
- Legal, Regulatory and Reputation Track Record
- Internal Systems and Ethics/Compliance Program

However, according to a leading consumer magazine is Starbucks one of the most unethical café chains in Britain.

Dan Welch, from the Ethical Consumer magazine, ranked Starbucks as being unethical because of its stance on workers' rights and its political activities.

Although the firm has the sales practice of selling Fair-trade coffee in the UK, the rest of the multinational has been slower on the uptake. The report states that the Fair-trade Fortnight is potentially misleading on some café websites. It is not possible to trace the origins of all the coffee, thereby it's impossible to measure the conditions.

A spokesperson defended her company, she said that it is disappointing that the authors are unaware of Starbucks widely published ethical standards which guarantees the wages, rights, and

---

<sup>3</sup> Farfan, Barbara. "Report Says Starbucks, Target, and The Gap are the Most Ethical, But Anti Gay Rights Group Protest Retail Support of Gay Rights and Gay Marriage." [About.com](http://retailindustry.about.com/b/2013/03/30/reportssays-starbucks-target-gap-most-ethical-anti-gay-rights-group-protest-retail-support-gay-rights-gay-marriage.htm). (March 30, 2013). Web. May 19 2013. <<http://retailindustry.about.com/b/2013/03/30/reportssays-starbucks-target-gap-most-ethical-anti-gay-rights-group-protest-retail-support-gay-rights-gay-marriage.htm>>.

<sup>4</sup> "Starbucks takes heat for tip sharing policy". [Ethisphere](http://ethisphere.com/starbucks-takes-heat-for-tip-sharing-policy/). (March 13, 2008). Web. May 19 2013. <<http://ethisphere.com/starbucks-takes-heat-for-tip-sharing-policy/>>.

conditions for coffee farmers and offering the industry a leading environmental performance of the coffee production.

The authors might not even be aware that they independently verify environmental standards for its stores by cutting water and energy consumption up to 25%. They are neither aware that the employees benefit from the success of the business by owning a share of the company. According to several surveys, customers rate Starbucks to be the top for ethical behavior above all other coffee chains. Within the last two years is Starbucks named to be the most ethical coffee company in Europe<sup>5</sup>.

### **Tax avoidance**

Lately Starbucks has been the recipient of negative feedback concerning their business practice of minimizing corporate taxes in the UK.

In the 14 years that Starbucks has been active in the UK, only £8,6 million was paid in corporate taxes. Notably, in the last three years, no taxes were paid at all in the UK by Starbucks. In the UK, Starbucks is at present valued at over £25 billion. Over the last 14 years, Starbucks has paid less than 1% corporate tax over their £3 billion sales in the UK. By comparison, Costa, Starbucks nearest competitor, recorded £377 million in sales in the UK, and paid 31% tax over their profit of £15 million. Starbucks recorded sales of £398 million over which they paid no taxes at all.

Starbucks was able to cut their income taxes by paying fees to other parts of its global business. These fees included, for example, royalty payments for the use of the brand. By doing this, Starbucks UK was effectively making a loss, and therefore they did not have to pay any income taxes, and they did not break any laws. In 2011, Starbucks UK made a loss on paper of £33 million, but they told their investors that the business in UK was very profitable. This whole tax avoidance operation resulted in a lot of brand damage for Starbucks UK; people were calling on Twitter to boycott Starbucks for its tax avoidance.

## **2.2.2 Starbucks's Point of View**

### **Ethical Responsibility**

Starbucks has divided their ethical responsibility into 3 categories:

1. Community
2. Ethical sourcing
3. Environment

### **The Starbucks Community Service Program**

In every neighborhood where Starbucks has a store, they try to be involved with the local community. From coffee shops to coffee plantations, Starbucks believes that being involved in the local community is a very important thing.

Bringing people together, inspiring others and making a difference in the lives of people. That is the responsibility of being a good neighbor. All with the intention of making a positive change on the community.

One good example is the voluntary work program where the goal is to have partners, employees and guests of Starbucks participate in more than 1 million of voluntary work hours till 2015. The program encourages tackling issues that have a direct influence on the local area. The program started in April 2010 and helps organize projects such as, after school help for students, improving bicycle lanes and cleaning days in parks in cooperation with local non-profit organizations.

---

<sup>5</sup> Welch, Dan. "Starbucks bottom of ethical rating despite going fairtrade". *Ethical Consumer*. (February 28, 2011). Web. May 19 2013.

<<http://www.ethicalconsumer.org/mediainfo/pressreleases/mediareleasecoffeeshops.aspx>>.

## Ethical sourcing

Ethical sourcing is divided into 4 categories:

1. Coffee
2. Tea
3. Cocoa
4. Farmers support

In 2000 Starbucks started to buy only fair-trade coffee and in 2009 Starbucks bought 18 million kilograms of fair-trade coffee, making them the largest fair-trade coffee user in the world. Starbucks believes they have an economical responsibility which means that transparency of the market is a must. Starbucks' suppliers must show which payments have been done to secure that the farmers receive honest pay for their product. The Conservation International has helped Starbucks in the past 10 years to set up the Coffee and Farmers Equity (CAFÉ) Practices. Guidelines help farmers to grow coffee in a way that is better for our planet.

As a member of the Ethical Tea Partnership, Starbucks works together with other buyers to enhance the conditions in the tea industry. Tazo is a Starbucks tea brand and uses only ingredients that come in true CHAI (Community Health and Advancement Initiative)-project, a cooperation with Mercy Corps.

Starbucks works together with The World Cocoa Foundation, Gates Foundation and possible suppliers to enhance the living conditions on the plantations and to stimulate sustainability. In 2007 a pilot program started to insert a same sort of guideline like the CAFÉ only for cocoa called Cocoa Practices.

Ethical sourcing means cooperating with farmers to grow coffee in a way that has an advantage to their company, their community and the environment. Starbucks had set up Farmers Support Centres in Costa Rica and Rwanda to help local farmers with their expertise to reduce production cost, reduce fungal infections and increase quality of the products.

## Environment

Starbucks wants to be a sustainable company and releases a global responsibility report each year with the goals and progress.

Starbucks is all about reducing their environmental impact and one of Starbucks's goals is to make all of its cups recyclable by 2015. They are trying to close the loop in the recycling process and the used paper cups will be turned into Starbucks napkins.

They have started a test run in Chicago, where all the used paper cups are collected from 89 stores by a truck and are taken to a paper mill where they are turned into napkins, which are then transported to every Starbucks in the country. This means that a napkin in a New York Starbucks store will for a small part be made of a Chicago Starbucks paper cup.

Aside from recycling and reducing waste, Starbucks is also working on building greener stores.

They make their stores green by being eco-conscious from the design stage to the construction stage and in doing so making the stores more energy-efficient and reducing the water-use.

## Tax

Roger Carr, president of the Confederation of British Industry:

*"Tax payments are not, and should not be ... a payment viewed as a down payment on social acceptability, or a contribution made by choice in order to defuse public anger or political attack."*

In class we saw a video of the tax avoidance systems of big multinationals such as Amazon, Google and Starbucks with the question whether or not this was ethical. Ishitar questioned her father, Mr. F. van Horzen (tax lawyer at KPMG Meijburg&Co), about this subject, seeing as this concerned taxes. We, as students, have very little knowledge about the complexity of the tax systems and we therefore thought that it would be better to ask someone who has years of experience with taxes,

instead of believing everything that was being said in the media by people who, like us, barely had any knowledge about the situation.

First off, tax avoidance isn't the same as tax evasion. What Starbucks did was set up a system that would make them have to pay fewer taxes; their system didn't mean that they didn't have to pay any taxes at all.

Tax avoidance is legal, unless the fiscal judge tells you that you should indeed pay more tax, whereas tax evasion is illegal and punishable by law.

When companies set up these types of avoidance systems, agreements have to be made with the tax authorities. In the case of Starbucks agreements were also made. Starbucks UK can send the royalties to the Netherlands, and the amount sent to the Netherlands would be tax deductible in the UK. However, in the Netherlands, they do have to pay 25% taxes on these royalties. The only problem with this system is that they were sending too much money to the Netherlands which resulted in zero profits in the UK. The answer to the question how this could have happened is that, apparently, the UK tax authorities weren't paying any attention, otherwise this wouldn't have happened. Mr. van Horzen is convinced that something like this could not have happened in the Netherlands, because the tax authorities here pay much closer attention to what is going on.

You may also have noticed that the big multinationals that are doing this, are in fact American companies. The reason why American companies feel the need to set up these types of systems is the fact that, in America, they have to pay 35% corporate taxes, whereas in the Netherlands they only have to pay 25%. The Netherlands also has 37 tax agreements, one of which makes sure that companies don't have to pay the same taxes twice, making it a very attractive country.

Also, these big companies have to answer to stakeholders and stakeholders always want to see a large return on their investment, and paying fewer taxes gives you this higher return. Meaning that, if these companies didn't set up these systems, their product price would increase because the money for the return has to come from somewhere, which would mean that you would have to pay a lot more for your latte than you already do right now.

### 3. Organisational Structure and Organisational Culture

The organogram of Starbucks's organizational structure can be found in Appendix A.

Starbucks follows a strategy that includes a high level of environmental performance in the development of their business. It builds new stores, includes good sourcing, and cooperates to be a respected partner in its communities, and to communicate its CSR responsibilities. Starbucks has designated a corporate lead to emphasize how important it is to them to report the development of its strategy. Starbucks's organisational structure is comprised of all the departments required to produce its goods and services.

Decision-making is the task of each individual manager, which means that Starbucks has decentralized authority.

Because Starbucks has stores worldwide, every store has its own form of authority, management, and customers. The organization and its employees have to be flexible as the organization grows. That is why managers are interested in empowering employees. An employee can get a good position and establish cross-functional teams when they are doing a good job. Managers are focused on improving the communication with everyone employed at Starbucks.

Starbucks has made immense strides in internal communication. They have managed to become a transparent organization, provide sound direction of communication, maintain solid channels of communication, and still the rumour-mill, all resulting in a huge success. To improve the customer experience, Starbucks changed its organization to a matrix structure. It also defined the direction that is used by the organization.<sup>6</sup>

#### Matrix Design

According to the writers of the book, *Understanding and Managing Organizational Behaviour*, the matrix organizational structure is very effective in taking full advantage of all communication channels. The matrix structure is defined by the Business Reference as being made up of cross functional work teams that have the ability to report to heads of the organization other than the primary supervisor. The structure facilitates the horizontal flow of information and skills. The employees report on day-to-day performance, the structure facilitates the horizontal flow across departmental boundaries. But employees also report the overall performance to the top of their department which has a vertical flow. Every element is included as a table conducted with columns and rows.<sup>7</sup><sup>8</sup>

This allowed the corporation to have successful communication upward, downward, and laterally with its employees. The communication extends beyond just the employee and to the customer as well. This is done by technology, marketing tactics, and their employees to communicate success, goals, and vision to the customers.

#### Organizational Culture

As Starbucks maintains its exceptionally successful communication strategy, they have a great appeal on potential employees.

<sup>6</sup> Hawks, M., Kembell, B., Kembell, S., Olsen, L., & Perry, L.. *Catching the Starbucks Fever*. 2008. <<http://www.academictmind.com/unpublishedpapers/business/marketing/2002-04-000aag-catching-the-starbucks-fever.html>>.

<sup>7</sup> George, J., and Jones, G. *Understanding and Managing Organizational Behaviour* 4th ed. Upper Saddle River, NJ: Person Prentice Hall, 2005.

<sup>8</sup> "Matrix management and structure". Reference for Business. Web. June 22 2013. <<http://www.referenceforbusiness.com/encyclopedia/Man-Mix/Matrix-Management-and-Structure.html>>.

## **Values**

As Starbucks uses technology, marketing tactics, and their employees to communicate successfully its goals, and visions to the customer, the customers adapt closely by watching the organization. Therefore society is of high value and an important source of support to Starbucks. Starbucks supports many causes such as Conservation International, The Earthwatch Institute, Save the Children, Mercy Corps, the African Wildlife Foundation, and Planet Green. These values have become standard to other profitable companies, showing that they feel that they have a moral obligation to support communities by giving support to causes deemed important by these communities. Next to that Starbucks operates in the belief that it should be mindful of the impact the company has on the environment and the world. Embracing diversity is an important guiding principle for Starbucks; it provides a positive work environment characterized by dignity and respect, and a commitment to continuously satisfy employment and to provide excellent customer service.<sup>9</sup>

## **Cultural Characteristics**

This success partially attributes to the cultural characteristics of innovation and taking risks. The employees are empowered and encouraged to think outside the box. Starbucks encourages its employees and rewards employees for innovative ideas. It encourages employees to focus on the specific request of the customer even if this means deviating from Starbucks preparation standards of beverages. It is precisely this attention to detail that promotes full satisfaction of the customer.

## **Strengths**

Starbucks has the cultural strength to show that they are a great company to work for due to their characteristics, values, and spiritual culture. They are able to maintain this organizational culture by the continuous dedication to its employees and customers.

## **Responsibility and Decision Centres**

Starbucks knows that decisions can be based on perceptions of individuals, influenced by upbringing, beliefs, or current state of mind. It developed models to guide individuals through the process which creates a satisfactory result. These models show a need to create process and to determine what qualifications will satisfy these needs. Once the identification of those needs are being matched, a decision is made on what is the best match that suits the needs. However, errors and bias still come to light in this process through the use of experience, intuition, and impulse.

The organogram provides the insight of who is responsible for each aforementioned aspect. Although, it does not give you the insight where decision centres are situated. This is because of the models that have been developed that try to shape moral and ethical decision making. Six points of the ethical decision making framework guide and model has been showed earlier in this report. (see page 4)

Although Starbucks has a very successful decision making process, which plays a vital role, errors and bias can still play a role in the process. Therefore the organization adapted a level of accountability through this process to minimize the impact of errors and bias which results into a continuing successful corporation.

---

<sup>9</sup> "Being a responsible company". Starbucks. Web. June 22 2013.  
<<http://www.starbucks.com/aboutus/csr.asp>>.

## 4. Process Management: Business Process Mapping

The business flow chart can be found in Appendix B

### What do we want to achieve

We first ask ourselves the question, what does Starbucks want to achieve? In the end of the flow chart, Starbucks wants to deliver good quality coffee to their customer, in order to satisfy the customer. Customer satisfaction is not the only thing that Starbucks wants, but it helps them to make money. When a customer is satisfied with his coffee, the chance that they will come back to Starbucks is bigger, which means more sales for Starbucks, and this is what they want to achieve.

### Input

In the flow chart we can see the three aspects input, process, and output. For making a cup of coffee we first need input. For Starbucks, there are different things that have to be put in. First of all there is money, people, time, and information. To make a cup of coffee you need money for buying the ingredients, electricity, labor and much more. 'People' stands for the employees of Starbucks that are making the coffee, the coffee does not make itself, and the employees also have to deliver a good customer service. The third aspect is time; making a cup of coffee at the high Starbucks quality takes some time, therefore time is also needed. The last one is information; an employee has to know what the customer desires in its coffee, milk or sugar? Tall, grande, or venti? That type of information is needed to make the coffee. Besides those factors, ingredients and materials are also needed to make a cup of coffee.

### Process

The process includes several things. Besides making the cup of coffee itself there are other things that have to be taken into account during the production process. Employees of Starbucks have to make sure that the quality of the coffee is the desired quality. When the employee does something wrong, for example the wrong ingredients, the customers will not be satisfied with the product, which will result in a lower customer loyalty, and that means less sales. So therefore it is very important that the employee delivers quality during the production process.

### Output

The output in the whole chart for Starbucks is a cup of fair trade coffee at the customer's desire. But besides the coffee, this output also means that a customer bought a cup of Starbucks coffee, this means more sales and a better turnover, which is also output.

### The ordering process

In this process you can see the flow chart of information when a customer comes into the store. When a customer comes in, and he wants coffee, he has to give his specific wishes for his coffee to the employee of Starbucks. Examples of these wishes are does the customer wants milk or sugar in his coffee, and which size the customer desires, and does he want to drink his coffee at Starbucks or take it with him. When the employee of Starbucks has received all the information needed to make a cup of coffee to the desire of the client, the employee can start the production process.

### Coffee making process

This is the process where the coffee will be made from just ingredients to a final product. First the coffee beans have to be grinded, the appropriate amount of water has to be boiled and then the cup can be filled. As a finishing touch the coffee has to be adjusted to the wishes of the customer, and then there is the final product, a cup of fair trade Starbucks coffee.

### What we learnt from this exercise

What we have learned from this exercise is that you need a certain input before you can start making the final product, and that input does not necessarily have to be ingredients, but could also be, for example time, people and information. Especially information is crucial when Starbucks makes their end product, because without the information what the customer wants, they cannot make the final product to the desire of the customer.

## Conclusion

Starbucks is the biggest premier roaster and retailer of specialty coffee in the world, with more than 18.000 stores throughout the whole world. The company has a board of directors who lead the conduct of business. The world according to Starbucks is divided into continents. Each continent has its own Starbucks coffee restaurant chain and its own sub-management, who has accountability to the central board. From this stage the business come true. Starbucks sounds just like every company, but still it's a special company. Because the store-managers have daily contact with its customers and know their needs and wants, the board gives the word to the store-managers. This makes the business more effective and efficient. As a result the store-managers has a big responsibility to the company, therefore the board decided to train and to accompany their partners as soon they have a noteworthy management job. Why did we state 'partners' instead of simply call these people 'employees'? Starbucks decided to make every employee a partner. By doing this, loyalty to the company will be created and the willingness to fight for better results.

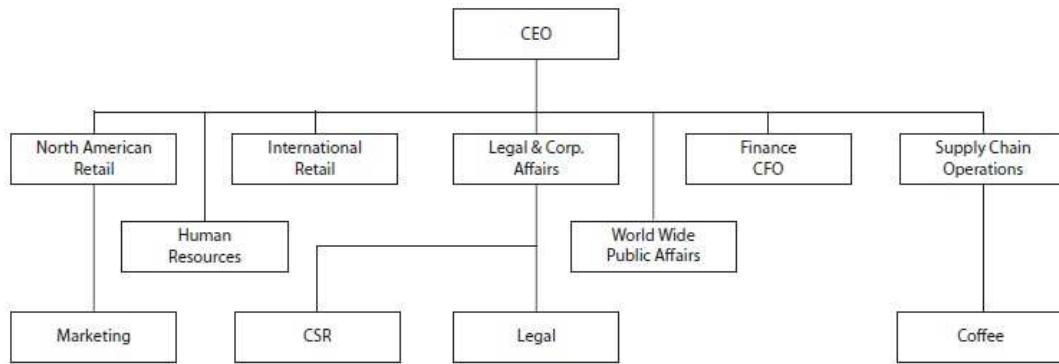
According to Starbucks ethical sourcing is divided into four categories, namely: coffee, tea cocoa and farmers support. They work hard to enhance the living conditions on the plantations (Starbucks suppliers) and to stimulate sustainability. Ethical sourcing means cooperating with farmers to grow coffee in a way that has an advantage to their company, their community and the environment. It is done by helping local farmers with their expertise to reduce production cost, reduce fungal infections and increase quality of the products.

Starbucks has the cultural strength to show that they are a great company to work for due to their characteristics, values, and spiritual culture. They are able to maintain this organizational culture by the continuous dedication to its employees and customers.

## Appendix

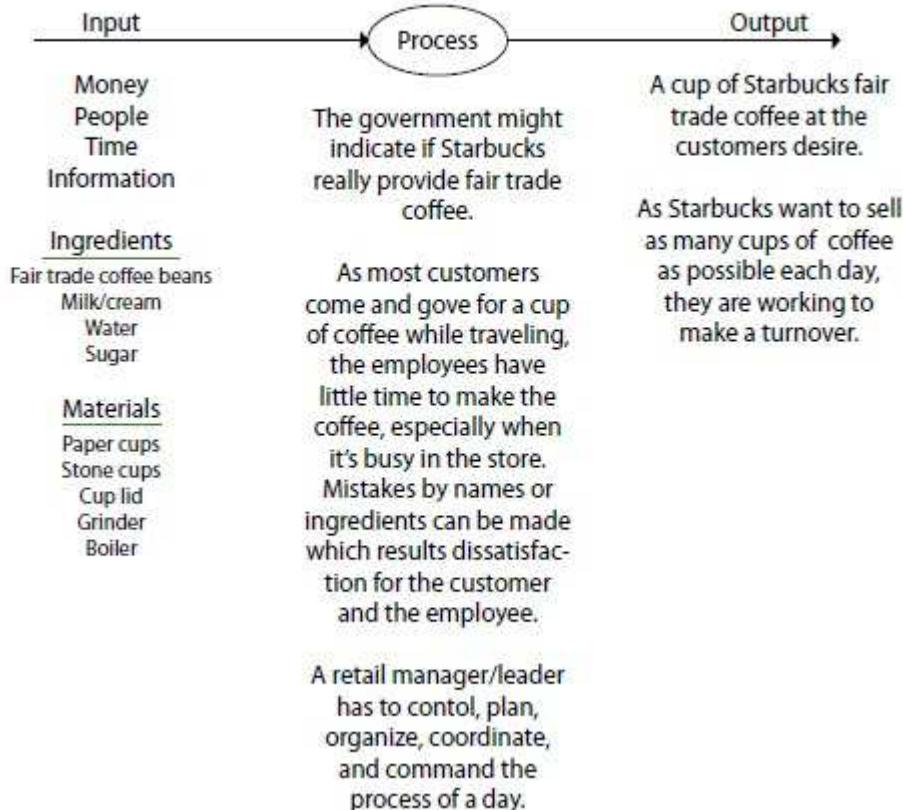
### Appendix A

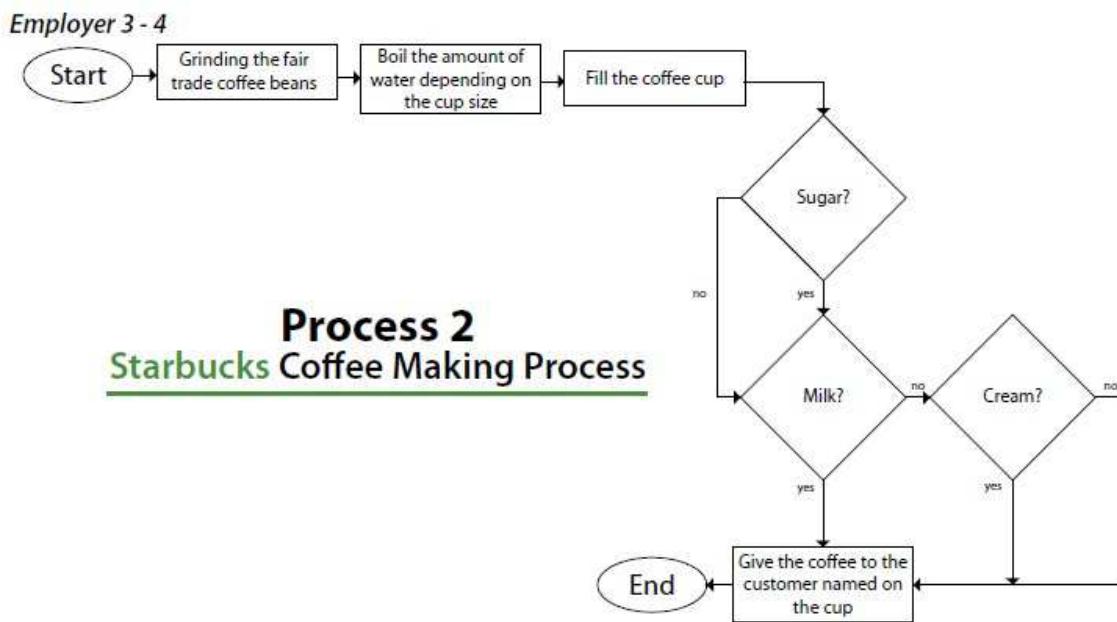
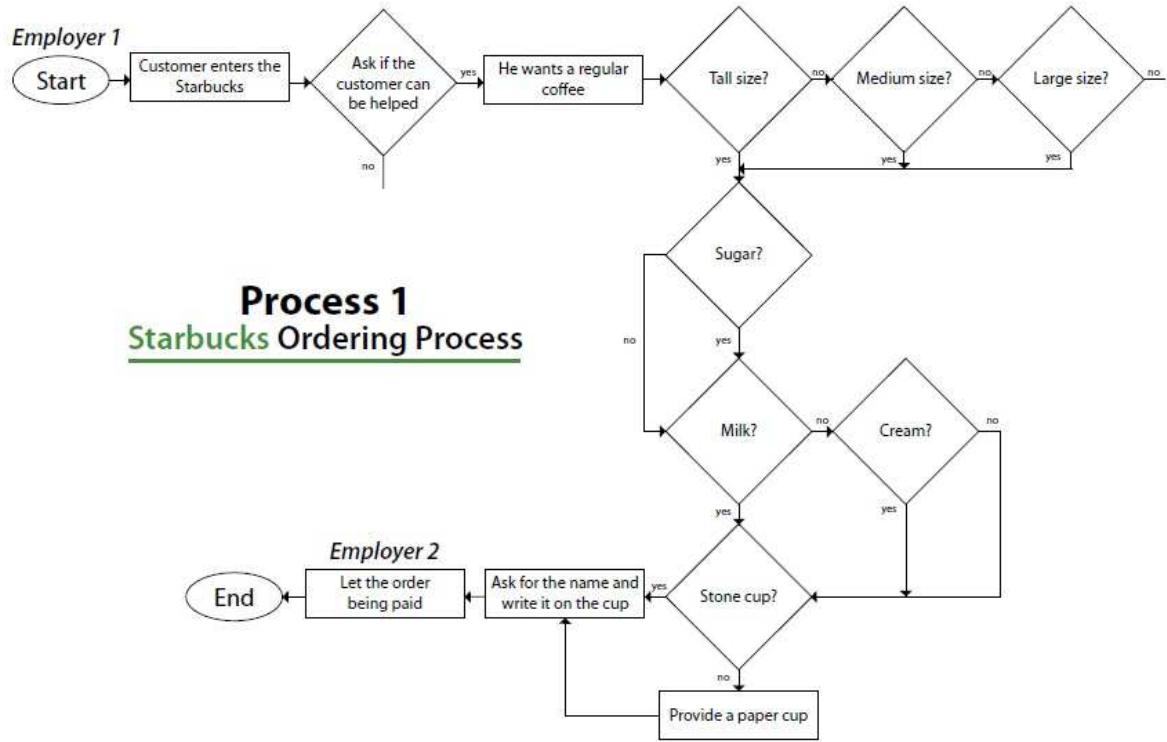
#### Starbucks Organizational Structure



### Appendix B

#### Starbucks





## Appendix C

Work Plan			
Wk	Topics	Deliverables	Work Division
1	Getting organised	<p>a) Name of the organization and the main channels of access</p> <p>b) Work-plan listing the activities your group will conduct over the next 7 weeks.</p> <p>c) Name the team member that is responsible for each activity</p>	<ul style="list-style-type: none"> <li>• Layout work plan (Ishitara)</li> <li>• Uploading document to n@tschool (Armando)</li> </ul>
2+3	Ethical problem-solving and decision making	<p>Decision &amp; Politics report on chosen organization (± 1500 words)</p> <ul style="list-style-type: none"> <li>• Organisational decision making process (Thomas V)</li> <li>• Ethical behaviour from Starbucks' point of view (Armando &amp; Ishitara)</li> <li>• Ethical behaviour from critics' point of view (Thomas K &amp; Teerd)</li> <li>• Layout (Ishitara)</li> <li>• Uploading document to n@tschool (Armando)</li> </ul>	
4+5	Organisational structure and organisational culture	<p>Organisation and culture report (±1000 words): An assessment of the leadership style</p> <ul style="list-style-type: none"> <li>• Organisational Structure and Culture (Teerd)</li> <li>• Layout (Ishitara)</li> <li>• Uploading document to n@tschool (Armando)</li> </ul>	
6+7	Business Process Mapping	<p>Process management report (±1,500 words)</p> <ul style="list-style-type: none"> <li>• Flow Chart (Teerd &amp; Thomas K)</li> <li>• Explanation of the flow chart (Thomas K)</li> <li>• Layout (Ishitara)</li> <li>• Uploading document to n@tschool (Armando)</li> </ul>	
8	Presenting your portfolio	<ul style="list-style-type: none"> <li>• Final group portfolio (± 4,500 words)</li> <li>• Presentation in class</li> <li>• Introduction (Armando)</li> <li>• Company profile (Armando)</li> <li>• Conclusion (Thomas Vos)</li> <li>• Language and Grammar check (Ishitara)</li> <li>• Layout Final portfolio (Ishitara)</li> <li>• Bibliography (Ishitara)</li> <li>• Uploading document to n@tschool (Armando)</li> <li>• Powerpoint (Armando)</li> </ul>	

## Bibliography

### Books

George, J., and Jones, G. Understanding and Managing Organizational Behaviour 4<sup>th</sup> ed. Upper Saddle River, NJ: Person Prentice Hall, 2005.

Gulati, R., Huffman, S., & Neilson, G. The Barista Principle - Starbucks and the Rise of Relational Capital. 2008.  
<<http://www.relationalcaptialgroup.com/downloads/TheBaristaPrinciple.pdf>>.

### Websites

“Being a responsible company”. Starbucks. Web. June 22 2013.  
<<http://www.starbucks.com/aboutus/csr.asp>>.

Farfan, Barbara. “Report Says Starbucks, Target, and The Gap are the Most Ethical, But Anti Gay Rights Group Protest Retail Support of Gay Rights and Gay Marriage.” About.com. (March 30, 2013). Web. May 19 2013.  
<<http://retailindustry.about.com/b/2013/03/30/reportssays-starbucks-target-gap-most-ethical-anti-gay-rights-group-protest-retail-support-gay-rights-gay-marriage.htm>>.

Hawks, M., Kembell, B., Kembell, S., Olsen, L., & Perry, L. “Catching the Starbucks Fever”. Academictmind. (October 17, 2008). Web. June 22 2013.  
<<http://www.academictmind.com/unpublishedpapers/business/marketing/2002-04-000aag-catching-the-starbucks-fever.html>>.

“Matrix management and structure”. Reference for Business. Web. June 22 2013.  
<<http://www.referenceforbusiness.com/encyclopedia/Man-Mix/Matrix-Management-and-Structure.html>>.

“Our Starbucks Mission Statement”. Starbucks. Web. June 24 2013.  
<<http://www.starbucks.com/about-us/company-information/mission-statement>>.

“Starbucks takes heat for tip sharing policy”. Etisphere. (March 13, 2008). Web. May 19 2013.  
<<http://etisphere.com/starbucks-takes-heat-for-tip-sharing-policy/>>.

Welch, Dan. “Starbucks bottom of ethical rating despite going fairtrade”. Ethical Consumer. (February 28, 2011). Web. May 19 2013.  
<<http://www.ethicalconsumer.org/mediainfo/pressreleases/mediareleasecoffeeshops.aspx>>.