

PRI-AIN732

by Plagi Check

Submission date: 15-Apr-2023 12:20AM (UTC-0700)

Submission ID: 2065152254

File name: UKS31111.docx (1.26M)

Word count: 6117

Character count: 38535

**INDIVIDUAL REPORT ON CHANGE MANAGEMENT PLAN:
CASE STUDY TESCO**

Executive Summary

Tesco is a globally recognised brand that focuses on constant market and operational development to improve its market positioning and customer engagement. McKinsey 7s, Adkar and Lewin's model are three change management model are evaluated in this report. The study develops a change management plan which can help Tesco to implement The McKinsey 7-S model more effectively and gain the benefits of becoming more adaptive to change. Furthermore, step by step process to implement the change strategy along with the cultural impact of the change in Tesco is described.

Table of Contents

2.2 Section 2- Critical Evaluation of the Change Management Models.....	3
Critically evaluate at least 3 Change Management Models	9
Identify the suitable change management model to implement suitable strategic change for the organisation.....	12
2.3 Section 3 - “Proposal and Implementation of Change Strategy”.....	14
Based on the chosen change management model, proposing a change management plan	14
What leadership approaches/styles would be suitable for initiating and implementing identified strategic change.....	17
Step-by-step process of implementation of the change strategy	18
Identifying the impact of the implementation of a change strategy on the culture of the chosen organisation	18
References.....	21

1. Introduction

The primary purpose of this report is to evaluate and propose a change management plan to Tesco for adopting strategic and decision changes to improve productivity. Change management is a critical factor that defines market reputation and sustainability of globally recognised companies. Therefore, this report emphasises effective change management plan applications that can help Tesco to improve its operational effectiveness.

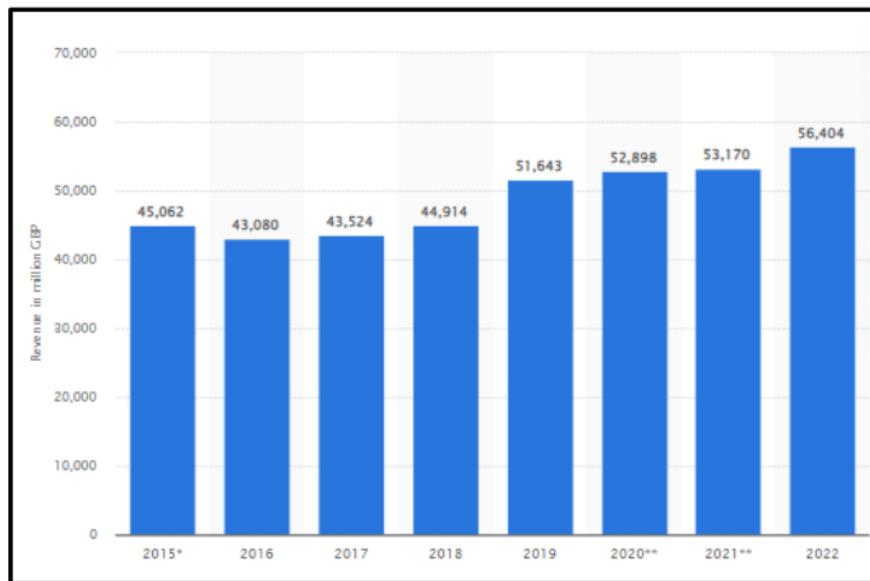


Figure 1: Revenue of Tesco 2022

(Source: Statista, 2023)

Identifying Tesco's business effectiveness and change management processes, as well as, strategies can help improve stakeholder engagement. In 2022, Tesco accumulated £56 billion in UK with an ROI increase reaching 2,191 million (Statista, 2023). Therefore, indicating that Tesco experiences sustainable revenue growth in UK with its existing strategies, an analysis of which can help new entrepreneurial businesses to grow in UK.

Descriptive Analytics tool has been underpinned in this report to shed light on each important variable like change management process, models, and suggested change strategies. Additionally, The McKinsey 7-S model has been used to emphasise change management planning and strategic adoptions of Tesco.

Section 1 critically evaluates Tesco's adopted change management process and suitable strategic change options along with organisational background and macro environment analysis. Section 2 emphasises change management models aligned with justification on most suitable model to be implemented in Tesco for change management process. Section 3

proposes suitable change, leadership, and operational strategies to be implemented by Tesco for an effective change process.

The expected outcome of this assignment will be to identify suitable strategic management options, change management models, and application of change strategy within Tesco's operations.

2. Main Body

11

2.1 Critical evaluation of the adopted change management process and Identification of the suitable strategic change option

2.1.1 Overview of Tesco

Tesco is the leading retail business in the UK with a high market reputation for which it has been chosen for this report. The leading retail company operates with a key goal of offering best shopping experience possible to its customer. Tesco's success criteria are linked inextricably to its business policies, values, and strategies (tescoplc.com, 2022b). Core elements of Tesco's business operations comprise leadership, employee performance, and strategic management along with improved customer service and operations. Retailer responding to market change and business environment are empowering their stores, customers, and colleagues for making a bigger difference in finding new ways locally to play a significant part in social transformation.

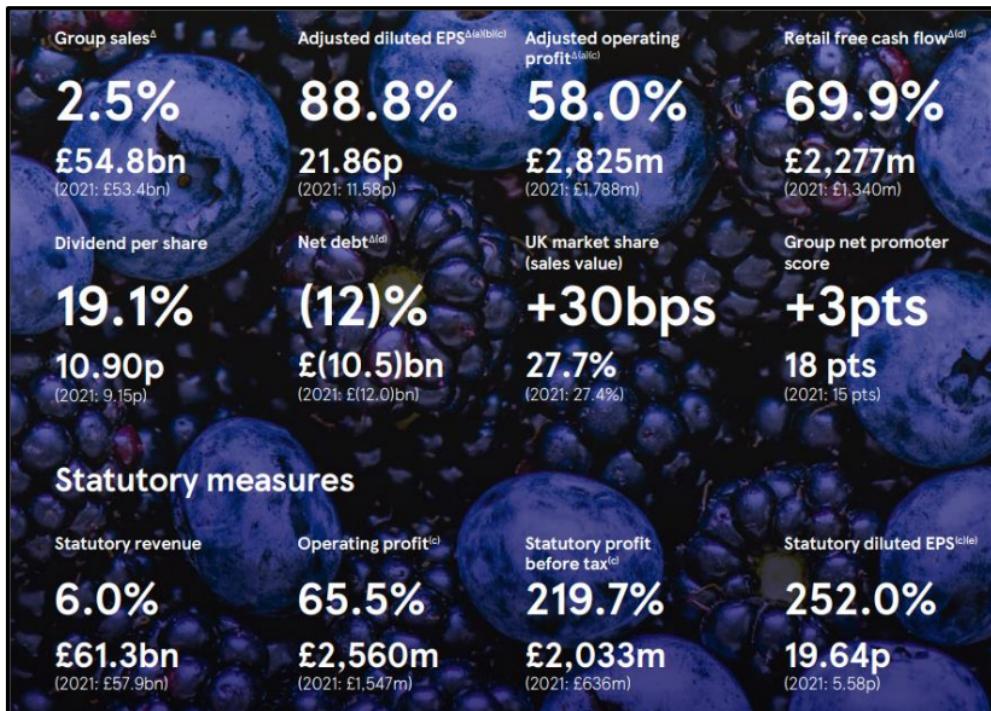


Figure 2: Tesco's Performance Highlights 2022

(Source: tescopl.com, 2022b)

Tesco transforms itself to accomplish zero-hunger SDG goals to comply with its CSR strategies effectively. In 2022 the company provided 52.6 million meals to local charities through food redistribution programmes across Group (tescoplc.com, 2022b). Tesco effectively responds to changes by improving customer experience and employee inclusivity. Additionally, Tesco has announced that it is going to freeze prices of over 1000 daily used products till 2023 to support cash-strapped customers as a response to COVID-19 inflation market change. Despite the brand experiencing reduced profits for half a year, it unveiled its second employee pay rise to support workers in 2022. The basic hourly pay rate for store staff increased further by 20p between £10.30 to £10.98 in London with an hourly rate maximisation of approximately 8% (Gibbons and Williams, 2022). Therefore, indicating that Tesco actively responds to market changes by supporting its customer and employees in an improved way. The company is people-centric and focuses on individual safety and offering services over profitability attainment.

2.1.2 PESTLE Analysis

¹ Political Factors	• Political stability index 2021 of UK in 2021 was 0.54 points
--	--

	<p>(theglobaleconomy.com, 2023)</p> <ul style="list-style-type: none"> In 2023, the Corporate Tax Rate in UK has increased to 25% from 19% for a few specific companies (whitefieldtax.co.uk, 2023) BREXIT limitations due to withdrawal of UK from EU trade (eur-lex.europa.eu, 2020)
Economic Factors	<ul style="list-style-type: none"> GDP in 2022 UK was 4.1% (commonslibrary.parliament.uk, 2023) Inflation rate in February 2023 in UK grew to 5.7% from January with 5.3% (ons.gov.uk, 2023a) Unemployment rate has been recorded to be 3.7% in 2023 with a decrease of 0.1% from 2022 (ons.gov.uk, 2023b) Personal disposable income in 2022 of UK was £32,300 with a decrease of 0.6% as compared to 2021 (ons.gov.uk, 2022a)
Social Factors	<ul style="list-style-type: none"> UK's current population is 68,873,958 (worldometers.info, 2023) Disposable income inequality in UK increased to 35.7% in 2022 (ons.gov.uk, 2022b)
Technological Factors	<ul style="list-style-type: none"> Internet penetration rate between 2021 and 2022 was 98% accumulating 66.99 million users (datareportal.com, 2023) Tech investment in 2022 UK was £24 billion (gov.uk, 2023)
Ecological Factors	<ul style="list-style-type: none"> Carbon emissions were reduced by 3.4% in 2022 UK (carbonbrief.org, 2023) Drastic climate changes often hamper manufacturing systems of retail businesses in the UK
Legal Factors	<ul style="list-style-type: none"> Sales of Goods Act, 1930 section c 54 (legislation.gov.uk, 2022) Consumer Protection Act 1987 section c 43 (legislation.gov.uk, 2023)

	<ul style="list-style-type: none"> The Equality Act 2010 section c 15 (legislation.gov.uk, 2021)
--	--

Table 1: PESTLE Analysis

(Source: Created by author)

Tesco enjoys significant support for its environment protection initiatives from Government of UK increasing its funds. For instance, the zero-carbon emission by 2030 program and first retail store in UK to establish no-plastic usage in its stores ([tescoplc.com](https://www.legislation.gov.uk), 2021). Tesco operates with more than 2000 stores across UK to provide accessibility to its customers. Political stability index of UK permits Tesco to develop and implement sustainable strategic and operational management plans. UK being sixth largest economy worldwide provides effective growth and revenue development opportunities to Tesco ([tescoplc.com](https://www.legislation.gov.uk), 2022a). Tesco also has the opportunity of installing highly efficient technical processes and machinery due to significant tech investment and constantly growing online retail shopping users.

Tesco also enjoys market growth opportunities due to increasing internet users in UK along with population. However, the growing inflation rate might impose restrictions on sales and profitability of Tesco due to increasing demand for low-priced products. Additionally, the increase in corporate government taxes also might impact Tesco if imposed on it due to which high final price fluctuation might occur leading to loss of customers to competitors. Therefore, external market environment analysis of Tesco indicates that it has both operational growth opportunity and risk that requires constant change application to improve performance and productivity of the firm.

2.1.3 Leadership styles used for change management by Tesco

Democratic style of leadership followed by Tesco

Tesco largely follows a democratic style of leadership wherein the views of the employees are also taken into consideration before amendment of a decision. Tesco tries to motivate the employees which enhances the overall customer service provided by the firm. Team leaders are appointed in every department in order to maintain the hierarchical order as well as a link between the employees and the firm. In democratic leadership, the team leaders do take the burden of all the responsibilities but rather distribute or assign these responsibilities as roles to other members of the team. This enhances the involvement of others and their views which helps to achieve a desired objective. Democratic leadership is often marked by empowerment and encouragement of employees to make quick, effective and smart decisions. This adds up to the skill set of the employees and enhances their competence and self-esteem. However, in democratic leadership, the leader must create an atmosphere where healthy relationships, productive conversations and true democracy can be established. It's also noticed that

sometimes the minority views are ignored, and communication gaps, as well as confusion, may occur in a democratic style of leadership.

Transformational style of leadership adopted by Tesco for change management

The transformational style of leadership is yet another management philosophy adopted by Tesco. In a transformational style of leadership change management is achieved by inspiring as well as encouraging the employees. Thus, the employees come up with new pathways and innovative ideas to contribute to future success of an organization. Some of the trusted employees are given the freedom of decision-making by the executives over certain sectors. Tesco adopted the transformational style of leadership as it widely helped the organization to enrage the passion of the employees for the company's vision and work for the same. Hence, this style of leadership also helped Tesco to pin down the faulty organizational process and rectify them with the help of employees.

In this context, the transformational style of leadership focuses more on the organization's benefit and is of little to no benefit to the employees. This enabled ¹² Tesco to adopt COVID-19 pandemic market change successfully. For instance, the company opened its first contactless checkout-free store in central London to support social distancing implications of the pandemic (tescoplc.com, 2023). The decision in this type of leadership is also focused on the team leader who has the final say in it. The transformational style of leadership has helped Tesco to grow dramatically since this style of leadership is significant for the long-term benefits of the organization. However, such long-term goals have been slightly hindering the success of Tesco since they are difficult to quantify.

2.1.4 Areas for Improvement

Involvement in various food scandals

Tesco often gets involved in food scandals that hamper market reputation of the retail brand which significantly needs to be improved. For instance, the horsemeat scandal in which frozen cheap beefburgers were tested by ¹⁴ The Food Safety Authority of Ireland observing that 85% of the beefburgers were pigs (theguardian.com, 2023). Several food products were also DNA tested to find that 29% of horsemeat was contained instead of beef meat. This led to development of distrust among the customers of Tesco's products. However, the scandal was soon resolved accepting it as a major fault of Tesco's staff and payment of a fine to Ireland government for reputation damage.

Adaptation to foreign markets outside UK

Tesco evidently has to improve its adaptation to foreign markets outside UK as it faced failure in Japan and America. For instance, Tesco 2013 pulled out of America at a cost of \$2 billion (tescoplc.com, 2022a). The reason has prospected that the company instead of becoming a retail supermarket giant targeted a niche market in America. Thus, the small store size and

lack of numerous check-outs were two key factors that led to failure of Tesco in America. Therefore, Tesco effectively needs to improve its international market expansion capabilities to improve the competitiveness imposed by globalisation on giant retailers.

2.2 Section 2- Critical Evaluation of the Change Management Models

2.2.1 Critically evaluate at least 3 Change Management Models

5

The McKinsey 7-S model

McKinsey 7-S is a change management model based on organisational design of the change. According to the views of Hamlin *et al.* (2019), McKinsey-7S model reflects on the way used by organisational change leaders to manage organisational change. Using these models, organisational leaders such as leaders of Tesco can strategize its change through seven principles. These elements are staff, style, skill, system strategy, shared value and structure. According to the views of Errida and Lotfi (2021), implementation of McKinsey's 7S model helps in aligning organisational performance during a change procedure such as corporate merger, process improvement, restructuring and others. Covid-19 pandemic has changed business scenarios and now it seeks application of modern technology or restructuring. Application of this model can support the company to restructure their organisation and change the technological environment using this change management model.

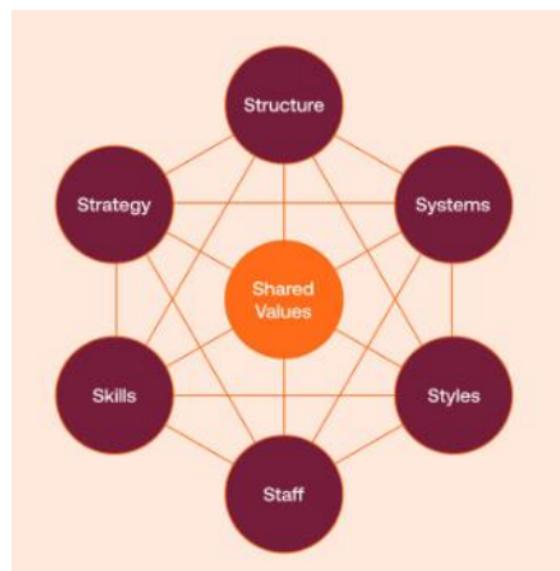


Figure 3: McKinsey 7S model

(Source: Influenced by the works of Hamlin *et al.* 2019)

Application of McKinsey's 7s model drives provide a large extent of benefits during strategic change. According to the views of Lott (2022), McKinsey 7s model exerts the larger impact of

change on organisation. For example, use of this model can organisational leaders of Tesco to determine certain misaligned areas with the company's strategy and vision. Therefore, the leaders can easily identify how strategic change can lead an organisation like Tesco to reach actual business goals. Application of this model also simplifies the planning and executing process for change initiatives (Kumar, 2019). It has been observed that McKinsey's 7s model is implicated in a stepwise manner such as identification of unaligned processes and gaps, determination of proper organisational design and others.

Implementation of McKinsey 7S model can assist organisations like Tesco to evaluate their organisational gap that requires change. According to the views of Çiloğlu (2021), Identification of under aligned processes and gaps provides a strong base for making organisational change. Therefore, it can be said that the McKinsey 7s model makes the path of organisational change a smooth one. This model also supports organisations in setting strategy plans in order to improve organisational performance. Development of organisational performance is a major goal for Tesco. Therefore, application of this model can support this organisation to achieve its performance goal prominently.

However, application of McKinsey 7S model for organisational change has certain disadvantages. According to the research of Melinda and Wagianto (2021), implementation of McKinsey 7S model requires effective benchmarking and plenty of research. Companies during Covid-19 pandemic have failed to invest time and effort consciously. For this reason, it affects adequate implementation of this change management model. Additionally, this model does not take into account the effects of the external environment, which is a gap of this model.

Lewin's change management model

Lewin's model for change management is a simple model used by organisations for managing their change. According to Kaftandzieva (2021), Lewin's theory suggests that the change process embraces creating a perception that a change is required, after that moving towards a desired new level of behaviour and lastly solidification of new behaviour. Based on this theory, Lewin's change management model entails three stages such as unfreezing, changing and refreezing. According to the views of Tang and Tang (2019), an unfreezing stage prepares an organisation for accepting change. While the change stage is responsible for implementing change and in the refreeze stage, organisations and people accept the change.

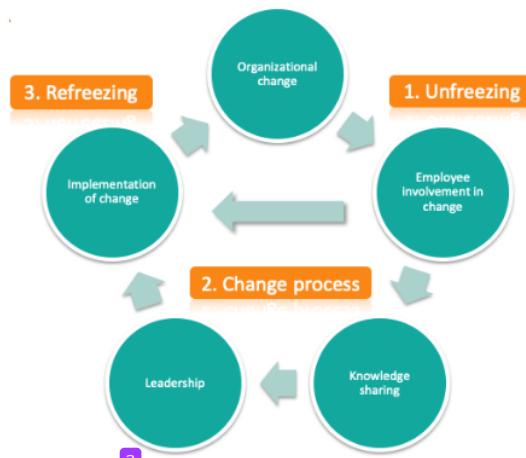


Figure 4: Lewin's Change Management Model

(Source: Inspired from the sturdy of Kaftandzieva, 2021)

Lewin's change management model is very simple and easy to comprehend, which can facilitate the change process of Tesco. In a post-pandemic situation it is required to use a simple change management model for bringing strategic change. According to the statement of Adam and Hanafi (2022), the change process of an organisation is regulated by organisational behaviour and Lewin's change model helps in analysing behavioural elements effectively. Application of Lewin's model can help Tesco in understanding behaviour traits, which can become change resistance in future. However, Lewin's change model has a number of disadvantages that can create certain issues in organisations like Tesco during strategic change. As per the statement of Thorley *et al.* (2021), Lewin's model for change is simple, however, it is not detailed. Due to not being detailed, there is a certain gap that hampers strategic change of the organisation. Another drawback is that the change management model is used as a traditional model and looks ineffective for modern day implementation. It is because, in the modern day change process technology plays a big role and this model does not support technological change effectively.

ADKAR change management model

ADKAR change model is an extensively used approach for managing organisational change. According to the statement of Sulistiyani *et al.* (2020), Awareness, Desire, knowledge, ability and reinforcement are five elements of change mentioned in Adkar change management model. The Adkar model contains significant benefits as it helps in time management during a change project. Managing time is essential during a change project because it helps organisational people to be accustomed with change. As per the studies done by Kolbergyté and Dromantaitė (2022), ADKAR change model helps in analysing whether the change activity is able to achieve the change goal.



Figure 5: ADKAR Change Model

(Source: Sulistiyan *et al.* 2020)

ADKAR model can be applicable for Tesco to make strategic change because it builds change awareness among the employees within a business case. As a result, employees can predict consequences of changes appropriately. According to the views of Jaaron *et al.* (2022), the Adkar model supports technological change effectively and for this reason this model is very relevant to modern day change management programmes. The Adkar model also plays a key role in providing expected results of a strategic change programme. This model can help Tesco to implement new strategic changes to become more resilient in a post pandemic situation. However, the Adkar model does not provide micro level change, which is essential for change.

2.2.2 Identify the suitable change management model to implement suitable strategic change for the organisation

'The McKinsey 7S Model' is considered as an effective framework for making necessary changes within an organisation by applying suitable strategies, on the basis of the organisational structure and design. This change model indicates that there exists a 'domino effect' where a workforce element is transformed to maintain proper balance in the organisation. As per the scenario, Tesco Plc has made a major change in its service marketing process by adopting a new rapid product-delivery service called "Whoosh". With the application of this new service, Tesco did promise to deliver products to their customers' doorstep, within 60 minutes after products were ordered (Tesco, 2022). Their purpose of bringing changes in their service process is to be on the online grocery shopping more effectively, during the pandemic. Before that initiation, the organisation experienced around 14.5% decline in sales, in 2021-2022 (Rigby, 2022). Therefore, it can be stated that to ensure rapid delivery service for customers, Tesco Plc must have made some changes in their

departmental structure as well as strategy. To analyse the change options chosen by the organisation, the application of McKinsey 7S framework can be utilised.

Within the McKinsey 7S change model, one of the hard elements is Strategy that defines a detailed plan of actions that organisations develop for effective change implementation. Appropriate change strategies help managers set the organisational process as per situational analysis and it ends up with high competitive advantage for the company. In the case of Tesco Plc, the management decided to simplify their counter business to meet the changes in customer demand during the pandemic. So, they strategised their production and service as per the customisation as well as market demand. For instance, in their 279 supermarket stores, the organisation noticed that their local customers demanded meat, fish and frozen food (Tesco PLC, 2022). On the other hand, in other 317 stores, they saw lowest demands for these products from the end of customers. Thus, they decided to close those stores and restructure the space by aligning with the customer demands. With this identification, it can be stated that the organisation has applied the 'Strategy' element from the chosen framework and at the same time, they have applied another hard element called 'Structure' as well. From the strategic report of Tesco, it is identified that the organisation made sure that there were no redundancies due to the counter changes and the affected workers have been offered alternative roles and positions for other departmental works. Therefore, it clearly indicates that along with strategic implementation, the organisation has also restructured their workforce, without any negative effects on employees.

Apart from strategy and structure, there has been a prominent use of 'System' by Tesco in their change implementation, during the pandemic. As per the report, to provide more hassle-free experience to their customers, the organisation announced a massive change into their Clubcard points as well as voucher system (Blackpoolgazette, 2022). In the form of a change, Tesco decided to stop distributing vouchers or paper statements related to selected consumers and it has affected those who regularly purchase products from the organisational stores. Instead of vouchers, customers could receive their Clubcard points into vouchers over email. Therefore, it can be stated that for making changes in the system, the knowledge and understanding of the McKinsey 7S model would be needed as it firmly indicates how to make changes in the organisational systems with accurate operational procedures and decision-making abilities.

2.3 Section 3 - “Proposal and Implementation of Change Strategy”

2.3.1 Based on the chosen change management model, proposing a ⁸ change management plan

The McKinsey 7-S model is an effective change management model which can help Tesco to bring revolutionary changes in their organisation through identifying the appropriate **Structure**, **Strategy**, **Skill**, **System**, **Shared Values**, **Style**, and **Staff**. The change management plan for Tesco to implement the McKinsey 7-S model is described below;

Factors	Change objective	Strategy	Involved authorities	Outcome	Duration
Structure	Implementing a multi-divisional structure	<ul style="list-style-type: none"> • Dividing employees into groups based on product categories. • Providing autonomy to each unit to operate their business. 	CEO, Operations manager, regional manager and store manager	The company can have an effective operational workflow through distributing each section's work load to each unit associate.	1 Week
Strategy	Innovation strategy	<ul style="list-style-type: none"> • Exclusive training sessions regarding digital technological usages • Increasing knowledge and effectiveness of the 	Store manager, personnel manager, HR, sales and marketing manager	The company will be able to gain long-term sustainability and competitive advantage	1 Week

		employees in adapting advanced technology usage.			
Skill	<ul style="list-style-type: none"> • Brainstorming skill • Cognitive skill • Decision-making skill • Effective communication skill 	<ul style="list-style-type: none"> • Increasing motivation amongst employees to influence creativity and brainstorm ideas. • Enhancing employee capabilities to adapt to change. • Promote assertiveness. • Improving active listening power. 	Personal relation executive, HR, operations manager	Personal effectiveness of the employees will be increased.	1 Week
System	Matrix system	<ul style="list-style-type: none"> • Recognising the business context and setting business scope 	Store manager, regional manager, Board members, directors.	The members of the organisation will be more focused and determined to achieve mutual goals.	1 Week

Shared values	<ul style="list-style-type: none"> • Promoting inclusive workforce • Equal pay • Diversified work culture • Sustainable management 	<ul style="list-style-type: none"> • Supporting equal pay and equal treatment and promoting diversity. • Contributing to environmental sustainability through using more renewable energy sources. 	Regional manager, CEO, board members.	The organisation will be more inclusive and sustainable.	1 Week
Style	Transformational leadership style	<ul style="list-style-type: none"> • Open to adapt change and innovation 	Store manager, Operational manager, Directors, HR.	It will help the organisation to become more adaptive to change and establish a successful business.	1 Week
Staff	Talent management	<ul style="list-style-type: none"> • Using effective tools such as Applicant tracking (ATS) systems. • Reward programs 	HR, CEO, Executive manager, Operations manager.	The company will gain maximised performances out of their employees	1 Week

		based on talent and performance s.			
--	--	------------------------------------	--	--	--

Table 2: Change Management Plan to implement The McKinsey 7-S model at Tesco

(Source: Created by author)

2.3.2 What leadership approaches/styles would be suitable for initiating and implementing identified strategic change

During the change management within an organisation, effective leadership can be the most essential components that help achieve a certain competitive advantage. Leaders who not only focus on the structural or operational side of change but prioritise human components as well tend to be the most effective (Bagga *et al.* 2022). In the change case of Tesco Plc, it has been observed that mostly the system and structure of the organisation has been changed along with the strategic changes. Therefore, it can be stated that to ensure effective implementation of such changes, transformational leadership style would be suitable. Transformational leaders are also called change leaders who provide their team members with a set of clear visions, missions and strategic directions for making any changes. For instance, during the restructuring of their supermarket stores as per product demands from customers, organisational leaders came up with a transformational mindset. They did communicate with them to convince them that their employment would never be at stake due to store closure, rather they have been given alternative job roles or positions. Therefore, it is evident that transformational leadership style can be effective in such change management initiation and implementation because changes can be made with full support and engagement from employees.

Transformational leadership style effectively considers tracking change initiation progress. Hence, with this leadership style or approach, the management of Tesco can identify the change initiation status along with any barriers to the change management implementation. During the change implementation, employees under Tesco Plc would see the commitment of transformation leaders in fixing such issues or barriers with the accurate help from employees. After successful change management initiation, transformational leaders look for rewarding those who are involved with any kind of business projects or change management projects. For instance, when a change is implemented within organisations like Tesco, the management usually decides to distribute motivation and rewards among the workers involved in change implementation. Therefore, it can be stated that for such identified changes made in Tesco,

the transformational leadership must be useful for the leaders to ensure higher engagement from the employees of multiple departments.

2.3.3 Step-by-step process of implementation of the change strategy

Change strategy to increase the effectiveness and maximise the productivity of Tesco can be followed by the step-by-step process, which are;

Step 1: identifying the major reason for change and creating an emergency to implement the change

Change is majorly important for each organisation in order to gain long-term sustainability and competitive advantage. Furthermore, creating an emergency can majorly help in adapting the change more appropriately and effectively.

Step 2: Determining Optimal Organization Blueprint

Determining the optimal organisation blueprint of the organisation can help in determining the plan for adapting the appropriate structure for strategies. Furthermore, the multi-dimensional structure can help in determining significant factors that can be enhanced to get benefits.

Step 3: Determine the Necessary Realignments

Determining the necessary realignments can also help in measuring the factors that can help in accelerating development. As bringing change is a necessary aspect for global business due to the effects of Pandemic and Brexit and other external forces. Therefore, a hybrid work culture and realignment with the market needs can help the company to increase adaptability more efficiently.

Step 4: Executing the Action Plan

Executing the mentioned plan can help in adapting the change more appropriately. The change management plan can help Tesco to increase its employee skills and their work structure to make achievements and sustain in the competitive market.

Step 5: Review Regularly

Review and monetization of the adapted plan can help in measuring growth in every step of the way. Regular monetization can also help Tesco to identify core and potential issues which can get solved through early detection.

2.3.4 Identifying the impact of the implementation of a change strategy on the culture of the chosen organisation

The impact of the implementation of the change strategy of innovation can help the company to bring revolutionary change. It can be analysed that implementing a change strategy can help Tesco to maximise their productivity and skills of the employees. Moreover, it can be analysed that implementing the innovation strategy can help the company to become more

adaptive to the digital literacy and transformational attributes. Based on this study of Cameron and Green (2019), digital transformation is an important aspect which helps companies to lead through changes. Furthermore, it can be analysed that a healthy work culture is the most important factor of an organisation to run effectively. Tesco might consider promoting an inclusive workforce which can help in creating diversified culture. Further, it can help the organisation to evolve towards change and support the needs of the employees. According to the study of Nitschke and Williams (2020), employee satisfaction is also an important factor which can drive motivation amongst employees. Furthermore, change strategy can help Tesco to have a more diversified and adaptive culture which can help the company drive innovation. Diversified work culture can help Tesco to become more advanced and creating a healthy workforce can reduce work stress and provide a nourished atmosphere to the employees. Furthermore, the change strategy can also influence Tesco to fulfil the needs of their employees through meeting the demands and needs of them. Moreover, increasing the employee's satisfaction level is important for organisations to ensure employee loyalty and gain their trust. Thus, Tesco in this case can help their employees to trust their organisations work devotedly to meet their goals and mission. As per the view of Hanelt et al. (2021), change strategy can help organisations to evolve and increase adaptiveness to the constant change through monitoring the market trends and demands. Thus, it can help the organisation to become more effective in competing with the rivals in the market and gain competitive advantage.

3. Conclusion and Recommendations

3.1 Summary of Findings

Tesco has been identified as a sustainably operating retail brand in the UK with massive competition imposed by ASDA, Morrisons, and Sainsbury's in retail sector. However, the business in recent years has been facing food scandals and lowered service quality issues for which it requires change application to improve operational effectiveness. The McKinsey 7S Model' has been identified as most effective change management model to be implemented for effective control of changes like introduction of "Whoosh" new rapid product delivery service and "Get Go" checkout-free contactless stores. It has been evaluated that Tesco needs to undertake change for attaining long-term market sustainability and competitiveness.

3.2 Recommendation

Frequent communication

The issue of stakeholder engagement lack can be suitably eliminated by establishing effective and frequent communication through meetings or official get-togethers. According to Aich et

al. (2019), continuous communication of change process and need for change through meetings with stakeholders increases their satisfaction and engagement in process of change. Therefore, frequent communication can also lead to improved talent attraction from international countries improving inclusivity of the firm.

Improved employee diversity and inclusivity

Employee inclusivity and diversity can be improved effectively to mitigate the issue of international market establishment failure. Tesco can improve its local employee diversity while entering a new market to attain a competitive edge of workplace inclusivity. Improved workplace diversity will also help Tesco to develop an image of a socially responsible brand leading to improved customer engagement and sales.

Roadmap Creation

Tesco can sustainably eliminate the issue of disrupted change application challenge by creating a clear roadmap for change planning and application. Roadmaps are beneficial for guiding the change process in appropriate direction along with improving quality of change process (Kalogiannidis, S. and Mavratzas, 2020). Hence, Tesco can suitably improve its operational effectiveness and change management process by creation of roadmaps.

References

- Adam, M. and Hanafi, A., (2022). Readiness for Organizational Change. In *7th Sriwijaya Economics, Accounting, and Business Conference (SEABC 2021)* (pp. 361-369). Atlantis Press.
- Aich, S., Chakraborty, S., Sain, M., Lee, H.I. and Kim, H.C., (2019), February. A review on benefits of IoT integrated blockchain based supply chain management implementations across different sectors with case study. In *2019 21st international conference on advanced communication technology (ICACT)* (pp. 138-141). IEEE.
- Bagga, S.K., Gera, S. and Haque, S.N., (2022). The mediating role of organizational culture: Transformational leadership and change management in virtual teams. *Asia Pacific Management Review*.
- Blackpoolgazette, (2022). *Tesco announces major change to Clubcard Points and voucher system* . Available at: <https://www.blackpoolgazette.co.uk/read-this/tesco-announces-major-change-to-clubcard-points-and-voucher-system-3670498> (Accessed: April 13, 2023).
- Cameron, E. and Green, M., (2019). Making sense of change management: A complete guide to the models, tools and techniques of organizational change. Kogan Page Publishers.
- carbonbrief.org (2023). Analysis: UK emissions fall 3.4% in 2022 as coal use drops to lowest level since 1757. Carbon Brief. Available at: <https://www.carbonbrief.org/analysis-uk-emissions-fall-3-4-in-2022-as-coal-use-drops-to-lowest-level-since-1757/> (Accessed: April 14, 2023)
- Çiloğlu, B., (2021). *Proposed configuration management II based engineering change management framework in product lifecycle management (PLM) system* (Master's thesis).
- commonslibrary.parliament.uk (2023). *GDP – International Comparisons: Key Economic Indicators*. commonslibrary.parliament.uk. Available at: <https://commonslibrary.parliament.uk/research-briefings/sn02784/#:~:text=For%202022%20as%20a%20whole,the%20UK%20was%20essentially%20flat>. (Accessed: April 2, 2023)
- datareportal.com (2023). *Internet use in the United Kingdom in 2022. Data Portal*. Available at: [https://datareportal.com/reports/digital-2022-united-kingdom#:~:text=There%20were%2066.99%20million%20internet,percent\)%20between%202021%20and%202022](https://datareportal.com/reports/digital-2022-united-kingdom#:~:text=There%20were%2066.99%20million%20internet,percent)%20between%202021%20and%202022). (Accessed: April 15, 2023)

Errida, A. and Lotfi, B., (2021). The determinants of organizational change management success: Literature review and case study. *International Journal of Engineering Business Management*, 13, p.18479790211016273.

eur-lex.europa.eu (2020). Brexit: EU-UK relationship. eur-lex.europa.eu. Available at: <https://eur-lex.europa.eu/content/news/Brexit-UK-withdrawal-from-the-eu.html> (Accessed: April 1, 2023)

Gibbons, L., and Williams, H., (2022). *Tesco makes change to everyone's weekly shop amid cost of living crisis*. Echo. Available at: <https://www.liverpoolecho.co.uk/news/cost-of-living/tesco-makes-change-everyones-weekly-25191654> (Accessed: April 13, 2023)

Hamlin, R.G., Ellinger, A.D. and Jones, J., (2019). *Evidence-Based Organisational Change and Development*. Hershey, PA: IGI Global.

Hanelt, A., Bohnsack, R., Marz, D. and AntunesMarante, C., (2021). A systematic review of the literature on digital transformation: Insights and implications for strategy and organizational change. *Journal of Management Studies*, 58(5), pp.1159-1197.

Jaaron, A.A., Hijazi, I.H. and Musleh, K.I.Y., (2022). A conceptual model for adoption of BIM in construction projects: ADKAR as an integrative model of change management. *Technology Analysis & Strategic Management*, 34(6), pp.655-667.

Kaftandzieva, I., (2021). Kurt Lewin's Change Management Model Implemented in Textile Industry in North Macedonia. *ENHANCING AND MANAGING COMPETITIVE ECONOMICS AND BUSINESS ENVIRONMENT: CHALLENGES FOR THE SOUTH EASTERN EUROPEAN COUNTRIES AND THE BLACK SEA REGION*, 104.

Kalogiannidis, S. and Mavratzas, S., (2020). Impact of marketing mix strategies effective product development issues in MNCs/Retail. *International Journal of Business Marketing and Management (IJBMM) Volume*, 5, pp.118-125.

Kolbergyté, A. and Dromantaité, A., (2022). A Theoretical Analysis of Managerial Growth in the Context of Organizational Change. *Sustainability*, 14(8), p.4523.

Kumar, S., (2019). The McKinsey 7S Model helps in Strategy implementation: A Theoretical Foundation. *Tecnia Journal of Management Studies*, 14(1).

Legislation.gov.uk (2021). *Equality Act 2010*. Legislation.gov.uk. Available at: <https://www.legislation.gov.uk/ukpga/2010/15/contents> (Accessed: April 12, 2023)

legislation.gov.uk (2022). *Sale of Goods Act 1979*. legislation.gov.uk. Available at: <https://www.legislation.gov.uk/ukpga/1979/54> (Accessed: April 11, 2023)

legislation.gov.uk (2023). *Consumer Protection Act 1987*. legislation.gov.uk. Available at: <https://www.legislation.gov.uk/ukpga/1987/43> (Accessed: April 10, 2023)

Lott, L.A., (2022). Improving the perception of internal affairs departments to create sustainable organizational change.

Melinda, D.A. and Wagianto, A.,(2021). SME Loan Process Efficiency With McKinsey 7S Model. In *Asia-Pacific Research in Social Sciences and Humanities Universitas Indonesia Conference (APRISH 2019)* (pp. 324-331). Atlantis Press.

Nitschke, C. and Williams, S., (2020). Monitoring and understanding enterprise collaboration platform outcomes and benefits change.

ons.gov.uk (2022a). *Average household income, UK: financial year ending 2022*. Office of National Statistics. Available at: [https://www.ons.gov.uk/peoplepopulationandcommunity/personalandhouseholdfinances/incomeandwealth/bulletins/householddisposableincomeandinequality/financialyearending2022#:~:text=Median%20household%20disposable%20income%20in,\(ONS\)%20Household%20Finances%20Survey](https://www.ons.gov.uk/peoplepopulationandcommunity/personalandhouseholdfinances/incomeandwealth/bulletins/householddisposableincomeandinequality/financialyearending2022#:~:text=Median%20household%20disposable%20income%20in,(ONS)%20Household%20Finances%20Survey). (Accessed: April 10, 2023)

ons.gov.uk (2022b). *Household income inequality, UK: financial year ending 2022*. Office of National Statistics. Available at:[https://www.ons.gov.uk/peoplepopulationandcommunity/personalandhouseholdfinances/incomeandwealth/bulletins/householdincomeinequalityfinancial/financialyearending2022#:~:text>Main%20points,\(COVID%2D19\)%20pandemic](https://www.ons.gov.uk/peoplepopulationandcommunity/personalandhouseholdfinances/incomeandwealth/bulletins/householdincomeinequalityfinancial/financialyearending2022#:~:text>Main%20points,(COVID%2D19)%20pandemic). (Accessed: April 7. 2023)

ons.gov.uk (2023a). *Latest movements in CPIH inflation*. Office of National Statistics. Available at: <https://www.ons.gov.uk/economy/inflationandpriceindices/bulletins/consumerpriceinflation/f26february2023#:~:text=The%20CPIH%20inflation%20rate%20is,between%20January%20and%20February%202023>. (Accessed: April 8, 2023)

ons.gov.uk (2023b). *UK unemployment figures. Information on the labour market, young people and workless households*. Office of National Statistics. Available at: <https://www.ons.gov.uk/employmentandlabourmarket/peoplenotinwork/unemployment#:~:text=The%20unemployment%20rate%20for%20November,the%20latest%20three%2Dmonth%20period>. (Accessed: April 9, 2023)

Rigby, C. (2022). *Tesco shows how far customers have moved online since covid-19 in first quarter figures*, *Internet Retailing*. Available at: <https://internetretailing.net/tesco-shows-how-far-customers-have-moved-online-since-covid-19-in-first-quarter-figures/> (Accessed: April 10, 2023).

Sulistiyani, E., Ali, A.H.N. and Astuti, H.M., (2020). Change management strategies to implement a fingerprint based attendance system in information systems department using ADKAR model. *Applied Technology and Computing Science Journal*, 3(1), pp.22-29.

Tang, K.N. and Tang, K.N., (2019). Change management. *Leadership and change management*, pp.47-55.

Tesco PLC, (2022). *Making our business fit for the future*. Available at: <https://www.escoplc.com/news/2022/making-our-business-fit-for-the-future/> (Accessed: April 12, 2023).

Tesco, (2022). *Whoosh - same-day home delivery* . Available at: <https://www.tesco.com/zones/whoosh?preservedReferrer=https%3A%2F%2Fwww.google.com%2F> (Accessed: April 15, 2023).

tescoplc.com (2021). *Tesco opens new checkout-free store, 'GetGo'*. Tesco Plc. Available at: <https://www.escoplc.com/news/2021/tesco-opens-new-checkout-free-store-getgo/> (Accessed: April 12, 2023)

tescoplc.com (2022a). *Global expansion*. Available at: <https://www.escoplc.com/> (Accessed: April 15, 2023)

tescoplc.com (2022b). *Tesco Annual Report 2022*. Tesco Plc. Available at: <https://www.escoplc.com/media/759057/tesco-annual-report-2022.pdf> (Accessed: April 14, 2023)

tescoplc.com (2023). *Core Purpose and Values*. Tesco Plc. Available at: <https://www.escoplc.com/about/how-we-do-business/core-purpose-and-values/> (Accessed: April 13, 2023)

theglobaleconomy.com (2023). *United Kingdom: Political stability*. The Global Economy. Available at: [https://www.theglobaleconomy.com/United-Kingdom/wb_political_stability/#:~:text=Political%20stability%20index%20\(%2D2.5%20weak%3B%202.5%20strong\)&text=The%20latest%20value%20from%202021,to%20compare%20trends%20over%20time](https://www.theglobaleconomy.com/United-Kingdom/wb_political_stability/#:~:text=Political%20stability%20index%20(%2D2.5%20weak%3B%202.5%20strong)&text=The%20latest%20value%20from%202021,to%20compare%20trends%20over%20time). (Accessed: April 5, 2023)

theguardian.com (2023). *Horsemeat scandal: the essential guide*. The Guardians. Available at: <https://www.theguardian.com/uk/2013/feb/15/horsemeat-scandal-the-essential-guide> (Accessed: April 15, 2023)

Thorley, J., Garza-Reyes, J.A. and Anosike, A., (2021). Circular economy: a conceptual model to measure readiness for manufacturing SMEs. *Benchmarking: An International Journal*, 29(4), pp.1362-1390.

whitefieldtax.co.uk (2023). *2023 Corporation Tax Changes*. Whitefield Tax. Available at: <https://www.whitefieldtax.co.uk/help/briefings/2023-corporation-tax-changes/#:~:text=Historically%20in%20recent%20years%20there,of%20%C2%A350%2C000%20or%20less> (Accessed: April 4, 2023)

worldometers.info. (2023). *U.K. Population (LIVE)*. Worldometer. Available at: <https://www.worldometers.info/world-population/uk-population/#:~:text=The%20current%20population%20of%20the,the%20latest%20United%20Nations%20data>. (Accessed: April 3, 2023)



PRIMARY SOURCES

1	Submitted to South Bank University Student Paper	3%
2	Submitted to University of Wales, Lampeter Student Paper	2%
3	Brian J. Galli. "Chapter 24 Comparison of Change Management Models: Similarities, Differences, and Which Is Most Effective?", Springer Science and Business Media LLC, 2019 Publication	<1 %
4	www.liverpoolecho.co.uk Internet Source	<1 %
5	amartakarya.co.id Internet Source	<1 %
6	Submitted to Unicaf University Student Paper	<1 %
7	Submitted to University of Bradford Student Paper	<1 %

8	Submitted to London School of Management Education Student Paper	<1 %
9	Submitted to The University of the West of Scotland Student Paper	<1 %
10	www.technofunc.com Internet Source	<1 %
11	www.researchgate.net Internet Source	<1 %
12	www.tescopl.com Internet Source	<1 %
13	blog.myassignmenttutor.com Internet Source	<1 %
14	ournewclimate.blogspot.com Internet Source	<1 %
15	www.coursehero.com Internet Source	<1 %

Exclude quotes On

Exclude bibliography On

Exclude matches Off