



# Organisational Behaviour(1007)

**BUS2003 Group Project: Amazon**  
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## 1. Introduction

*Figure 1*



*Source: Amazon*

Amazon.com Inc. (NASDAQ:AMZN), one of the largest online e-commerce companies in the United States, is located in Seattle, Washington. Amazon is one of the earliest companies to operate e-commerce on the Internet. Amazon offers customers millions of unique, new, used goods, such as books, movies and television, music and games, digital downloads, electronics and computers, home and garden supplies, toys, baby products, food, clothing, footwear and jewelry, health and personal care products, sports and outdoor goods, toys, automobiles and industrial products.

Amazon's main market is North America. Including the United States, Canada and Mexico. And Brazil in South America. Asian markets include the Middle East, Japan and Singapore. European markets include Britain, France, Germany, Italy and Spain.

### 1.1. Scope of Business

At the beginning, Amazon is the basic network bookstore called cadabra. Later, the



visionary Bezos saw the potential and characteristics of the Internet. While the physical large bookstores offered 200,000 books, the online bookstores could offer more choices than it. So, Bezos renamed Cadabra after the Amazon River, home to the greatest diversity of life on Earth, and it reopened in July 1995.

#### ❖ Three positioning shifts:

##### The **first** time: Became "the Largest Bookstore on Earth" (1994-1997)

Amazon.com was officially launched in July 1995. To compete with offline book giants Barnes&Noble and Borders, Bezos pitched Amazon as "Earth's biggest bookstore." In order to achieve this goal, Amazon adopted a large-scale expansion strategy and exchanged business scale with huge losses. It only took less than two years from the launch of the website to the listing of the company, and Amazon finally fully established itself as the largest bookstore.

##### The **second** time: Became the largest integrated online retailer (1997-2001)

In May 1997, Amazon went public. Before establishing an absolute dominant position in the online retail market of books, Amazon began to lay out the product category expansion. After early supply and marketing promotion, the Amazon Music Store was officially launched in June 1998. Since then, Amazon has expanded in categories and internationally. By 2000, its tagline had been changed to 'the Internet's No.1 retailer'.

##### The **third** time: Becoming the "Most Customer-Centric Company" (2001-present)

Since 2001, in addition to promoting itself as the largest online retailer, Amazon has also established itself as the world's most customer-centric company. Since then, creating a customer-centric service enterprise has become the development direction of Amazon. To this end, Amazon began to promote the third-party open platform on a large scale in 2001. Launched AWS in 2002, "Prime" in 2005, and "Fulfillment by Amazon" (FBA), an outsourced logistics service for third-party sellers, in 2007.

*Table 1*

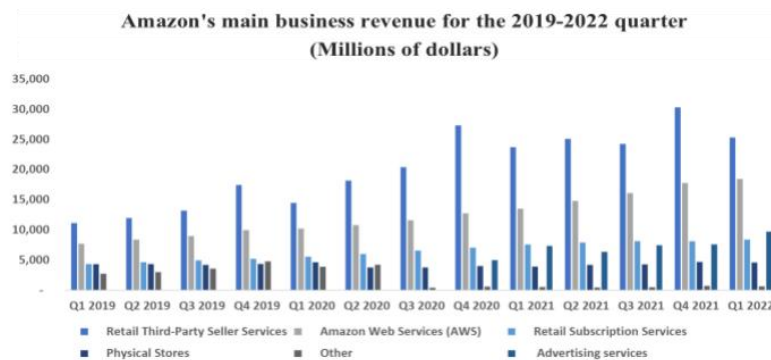
Products and Services	content
Kindle	Electronic reader
Network Services	It provides infrastructure services through the Internet based on its own back-end technology platform for Amazon's development customers.
Project Aria	On March 14, 2014, Amazon will launch a smartphone with the development code name "Project Aria" that will cost much less than the iPhone 6.
PrimeMusic	Amazon has quietly launched its new streaming music service PrimeMusic, offering more than one million songs for free to Amazon Prime members.
AmazonFresh	On October 17, 2014, Amazon will launch Amazon Fresh, an e-commerce fresh food service, in New York City. This will be the first time Amazon has launched the service on the East Coast.
Street convenience store	On October 11, 2016, the Wall Street Journal, citing multiple sources familiar with the matter, reported that Amazon would launch a physical convenience store to further expand its non-staple food business.
Domestic Service	In November 2016, Amazon listed a job listing for a "Home Assistant," a worker who will help consumers clean their homes, but the job is currently available only in the Seattle area.
Physical bookstore	In 2016, Amazon will open a second physical bookstore in a San Diego mall. The bookstore is next to a Tesla store and directly across from an Apple retail store.
Grocery store	The Amazon Go service is four years in the making, and the first grocery store in the United States is a 1,800-square-meter store near Amazon's headquarters in Seattle.
Drone Express service	Amazon first used drones to deliver packages to customers in December 2016. Amazon's drone program, originally called Prime Air, is designed to deliver packages to customers within half an hour.
AWS Cloud Computing	Starting in the first quarter of fiscal 2015, Amazon will break out the financial results of its cloud computing business, known as AWS.
Launch Chinese version	On June 30, 2016, Amazon Japan quietly launched a Chinese-language version of its website, along with a new low shipping option for consumers and businesses in the Chinese mainland.

## 1.2 Revenue Status of the Company

In recent years, due to inflation and related political factors, increased transportation costs, and the impact of the pandemic, the company's retail business

level has been relatively low. At the same time, the human capital generated within the company also makes the company economy feel a lot of pressure. At present, Amazon is operating in a state of loss. In the economic downturn, the company's cash flow is under pressure, and the decline of its stock price is the effect of multiple factors.

**Figure 2**



*Source: First Shanghai Securities Co.LTD*

**Figure 3**



*Source: Bloomberg*

### 1.2.1 Corporate Operation Strategy

Although Amazon has reported disappointing financial numbers in recent years, it is still the number one e-commerce company in the United States, relying on its strong growth in the past. In order to maintain its market position amid the global macroeconomic slowdown, Amazon has to make strategic adjustments not only to cope with the current winter, but also to prevent the risk of further deterioration in the

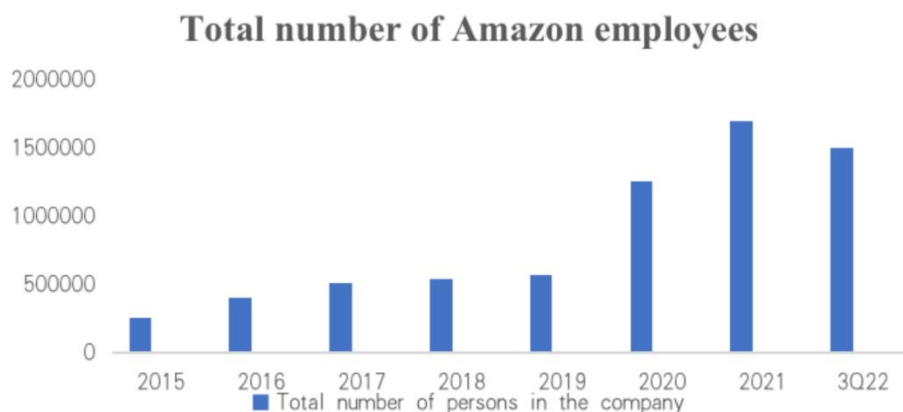
future.

❖ *Control the company's operating costs, optimize the staff structure*

During the 2019-2021 pandemic, Amazon's business and personnel expanded rapidly, driven by a surge in online shopping. However, with the relative improvement of the epidemic, consumers gradually returned to offline physical sales, and the growth of the company's retail business slowed down. The shortage of manpower turned to the excessive number of employees, which led to the decline of efficiency and the increase of the company's overall operating costs. In addition, due to the impact of the surge of the number of employees in the previous quarters and the increase of salary, the wage cost rose.

Amazon has always attached great importance to business stability and team stability. For this reason, Amazon directly stated that it would carry out internal personnel adjustment and optimization. Amazon has cut 4% of its workforce since 2022. Layoffs are essentially a challenge posed by changing markets, changing profit models and the recession.

**Figure 4**



*Source: Bloomberg, Wind*

❖ *Meet the market development trend, optimize capital expenditure, adjust the company's business layout.*

As for the future development, the demand of retail business is expected to



remain low in the short term due to the headwind of consumption environment and the return of consumption behavior to offline. Cloud computing (AWS), Amazon's reliable growth engine, has continued to show strong momentum for several quarters, and the overall environment has been positive for the business.

In the long term, the company is optimistic about the growth of cloud computing business and advertising business growth potential. The company will continue to increase the investment in related capital to seize the opportunities brought by the reversal of corporate performance after the easing of macro headwinds.

Amazon has struggled in recent years with slowing consumer demand and high compliance costs. How to balance the influence of internal and external factors while promoting the overall operation of the company is always a question that every successful company needs to think about.

### **1.2.2 Research Significance**

While implementing the strategy, Amazon also needs to consider many issues: for example, when adjusting the business layout, how to use the excellent corporate culture to attract more excellent talents to join and achieve efficient operation of the company? When the company is facing operational challenges, how should the management conduct efficient management? How to protect the welfare of the remaining employees while controlling the company's operating costs? How to use characteristic means of operation to gain the trust of more consumers when the market economy is declining...

Based on these questions, this report will discuss Amazon's corporate culture, communication, employee compensation and benefits, to analyze how these unique characteristics affect the organizational behavior situation of Amazon.

## **2. Organizational Culture**

### **2.1 Internal**

Amazon is considered one of the best places to work in the world. Amazon is



known for a corporate culture that pushes employees to explore ideas and take risks, with enthusiasm and inclusiveness as a necessary condition for employees to perform their work. For Amazon, the really valuable time should be spent getting to know its customers and actually addressing their pain points. We will analyze Amazon's organizational culture from inside and outside the organization.

Amazon's organizational culture is mainly characterized by boldness, customer centrality and peculiarity. Amazon encourages its employees to be bold and the hallmarks of this organizational culture can be seen in how the company pioneered the use of data-intensive information technology to sell a wide range of goods online. At the same time, Amazon encourages its employees to take risks, such as considering new business ideas. While emphasizing boldness, the company also completes a collection of new ideas based on its organizational diversity, thus enabling Amazon to identify the best ideas, and quickly solve problems or improve its e-commerce business.

Amazon's vision emphasizes the centrality of the customer to its business. For example, Amazon has strengthened its employees' focus on customer needs, and the company constantly strives to identify trends and changes in consumer preferences and apply those preferences to its online retail and related services. Through the characteristics of such corporate culture, Amazon maintains the effectiveness of meeting customer needs in the process of e-commerce business expansion, and continuously accumulates customer resources.

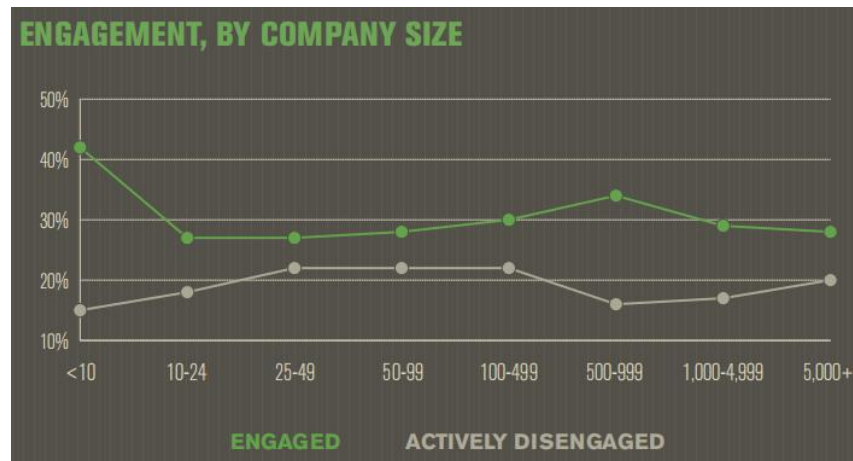
Amazon's organizational culture is also includes peculiarity, which is special characteristic of challenging conventional thinking. For example, it encourages employees to separate their work from the traditional way of running business and the company argues that conventions limit potential business growth. The peculiarity requires Amazon to motivate its employees to think outside the box to maximize the potential of its e-commerce business.

Today's business leaders expect their organizations to constantly innovate new products to bring to market, drive continuous operational improvements, and accelerate growth across the enterprise. For Amazon, as the number of units in its

business expands and the global workforce grows rapidly and becomes more geographically dispersed, it is important to change the way teams are organized to maintain fast-paced innovation. Amazon advocates a small team culture to maximize their ability to get close to customers, quickly launch innovative products and services for them, and make the best use of the agility and speed that service architecture can provide.

This organizational structure is called Amazon's "Two Pizza teams." If two pizzas are not enough to feed a project team, then the team may seem too big. The result of a large number of people often leads to imitation, which unable to highlight individual unique ideas, and the more people participate in the meeting, the less efficient it will be. Therefore, the Amazon team has 6 to 10 member approximately, and the company divides the business into a large number of relatively independent businesses. Each business is carried out independently by the product manager with a small team, which minimizes the communication line, reduces the bureaucracy and decision-making cost, and enables the two pizza teams to spend more time focusing on their customers. Also, they can constantly carry out experiments and innovations. Organizations with fewer than 10 employees have an engagement level of 42% or higher, while larger organizations have an average engagement level of less than 30%, according to Gallup's "State of the American Workplace" study. But Amazon's "Two Pizza teams" isn't just about size. A key factor in achieving continuous innovation and speed in the two pizza structure is the ability to give employees single-threaded focus. This single-threaded ownership extends to the full customer experience and the entire life cycle of both pizza teams' products or services. As a result, both pizza teams need to stay on top of every part of the service, they need to stay in close touch with their customers and create the right tracking mechanisms, metrics and KPI to ensure that their services are continuously delivering value to their customers. But the principle is not perfect. For example, the two pizzas principle may be a good strategy for building an infinitely expanding company, but it doesn't lead to a pleasant, stress-free work environment.

Figure 5



*Source: State of the American Workplace Report 2018*

## 2.2 External

Amazon has a nearly 50 percent share of the overall U.S. e-commerce market and their net income has grown by \$47 billion since 2019, and that growth is being made possible by Amazon's flywheel effect, a so-called "virtuous circle" that relies on the low prices that started the flywheel in the first place. Once those low prices attracted more consumers, and push more third-party sellers into the market to create more stakeholders and allowing Amazon to start steadily widening the market share gap between itself and other online marketplace competitors. In brief, once it gains momentum, Amazon can mainly stand back and wait for things to develop.

In essence, Amazon's business model has always put the customer first and think from the customer's point of view. Amazon has always emphasized the customer experience on the platform, which is largely driven by price and value, and price has a ripple effect on growth in all areas. The lower the price Amazon offers, the more attractive the platform will be to consumers, third-party sellers and stakeholders, and Amazon can continue to lower prices, each pushing the other forward to achieve mutual benefit and win-win results.

In addition, customer experience refers to any interaction or event that occurs in the relationship between the consumer and the company. To make the flywheel model

work, companies must pay close attention to all aspects of the customer experience. To do this, the company must collect timely data on all customer performance metrics on Amazon and other online marketplaces, such as ticket volume, average resolution time, average response time, customer satisfaction scores, and so on. What's more importantly is constantly looking for new ways to improve and optimize the customer's buying experience, such as price, product selection, delivery time and experience, and customer service management.

Amazon is known for announcing and launching new projects, whether it's Amazon Prime, Prime Video, same-day delivery, and more. To jump-start the flywheel model and maintain its growth momentum, Amazon should keep trying new ways to grab customers' attention, whether through better advertising campaigns or more attractive product deals. Also, it takes time for the flywheel business model to get off the ground and develop, and once the strategy gains momentum, the brand grows inexorably to a point where, like Amazon, it is almost completely self-sufficient. In short, the Amazon flywheel model works by making small changes that in turn affect other aspects and keep the wheel turning. There are two main factors that need to take precedence -- customer experience and low prices. And get the two areas of strategy right and pay more attention to them, the flywheel will quickly move forward and improve customer satisfaction.

In short, Amazon's organizational culture represents an interesting paradox. On the one hand, it is extremely demanding and it squeezes every employee to the maximum. On the other hand, the e-commerce giant is one of the companies many people want to work for. A possible explanation for this is that, despite the high pressure of work, the outsize role of the company and the changes it is making on a global scale are attracting individuals to its workforce.

### **3. Communication**

#### **3.1 Leadership**

### ❖ Customer Obsession

Leaders start from the customer, from the customer's point of view, should be willing to bear the loss in order to make customers profit, even if it is temporarily against their own terms of use or policy, then respond to promote the work. While leaders focus on their competitors, no matter what happens, the customer comes first, above and beyond the call of duty.

### ❖ Ownership

Amazon divides its business into a large number of relatively independent tasks, each of which is carried out independently by a small team led by a product manager. The leader of the team is required to use the sense of ownership and treat themselves as the boss of Amazon, just like a CEO with fewer responsibilities, who has the right to directly lead and deal with the team matters independently, which also has a better incentive effect on the capable and willing team.

### ❖ Right Decision

Leaders with excellent business judgment and keen intuition usually make the right decisions most of the time. This doesn't mean leaders can't make mistakes, but they should take a holistic and long-term view, prioritizing long-term goals rather than sacrificing long-term value for short-term results. When necessary, leaders should own up to their mistakes and be able to actively U-turn.

### ❖ Keep Learning and Be Curious

Leaders never stop learning, constantly look for opportunities to improve themselves, always be curious about the possibilities, and take action to explore the unknown, understand what's going on in the world, and absorb new ideas, not just "self-invent".

Amazon also attaches importance to the recruitment of interdisciplinary talents and the cultivation of employees' comprehensive quality, and supports the flexible adjustment of positions. There is a saying in Amazon that an accountant who does not

understand products is not a good Amazon operation.

#### ❖ Hire and Develop the Best

"The ice is colder than the water, the student surpasses the master." Amazon is constantly raising the bar for hiring and promoting employees, honoring outstanding talent and taking pleasure in honing them through job rotations throughout the organization. Leaders at Amazon are always focused on cultivating the next leader. In addition to strict hiring criteria, they pay more attention to cultivating employees to bring out their maximum potential.

#### ❖ Insist on the Highest Standards

Amazon's leaders hold their teams to almost exacting standards, and they rely on constantly raising the bar to motivate them to deliver superior products, services, and processes. Leaders make sure that any problems stop their losses before they spread, and are good at making progress from them.

### 3.2 Team Arrangement

#### ❖ The Independent Single-thread Leadership Mode

The expansion of an organization leads to an increase in collaborative work, and the more collaborative work there is, the less time there is for innovation. Therefore, Amazon adopts the independent single-thread leadership mode in the organization, in which the team has clear ownership of specific functions and can innovate without relying on other teams (Amazon, 2022).

#### ❖ The Two Pizza Rule

Amazon has a clear limit on the size of the team. The result of a large number of people will often lead to the conformity of others, unable to highlight individual unique ideas, fully stimulate the collision of thinking. Amazon believes that the more people attend, the less efficient the meeting will be. So if two pizzas aren't enough to

feed a team, it may seem too big. The most reasonable group size should be "two pizzas" or 6-8 people.

#### ❖ Take the Operation of Amazon as an Example

The division of labor of a team is very important. Only by clarifying the division of labor of each post can the team cooperate better and better with each other.

The operation of Amazon is divided into assistant, primary, middle and senior operation, supervisor, manager and director. Different positions focus on and deal with different things every day, Independently operate risk control management, customer service processing, sales and market analysis, inventory management, data statistics, product promotion, research and selection of Amazon every day.

#### ❖ Amazon's Productivity Habits

Standardizing office sheets

Routing office thoughts

Refining office statistics

Collaborating office work

## 4. Salary and Welfare

### 4.1 Salary

Amazon salary levels can be divided into twelve levels, each requiring different staff experience, different abilities, and very different salaries. There are not many reference salaries available online for our reference in the twelfth to ninth salary level.

Amazon level 12<sup>th</sup> salary, in the highest level of twelve, in this salary stage only one person, that is, the founder of Amazon Jeff Bezos, we have no idea how much he can earn a year, but we can find out in Google that his net worth has exceeded 138.9 billion dollars.

Amazon level 11<sup>th</sup> grade salary, in this grade is mainly the CEO and senior vice



president of Amazon and so on, where we can see the voice and shadow of Andy Jassy. But the Internet can also be too much available information about their salaries.

The majority of Amazon's level 9<sup>th</sup>&10<sup>th</sup> salary levels are for the company's key employees.

Amazon level 8<sup>th</sup> salary, in this echelon is usually directors, senior executives and managers, etc., in this echelon the annual salary of more than ¥ 600000.

Amazon level 7<sup>th</sup> salary, in this echelon of workers, the minimum basic salary is usually \$300000, of course, with the work of different salaries, up to \$638000 per year. with the work of different salaries, but the minimum will not be less than \$300000. and in this echelon of workers need ten years of experience.

Amazon's level 6<sup>th</sup> salary, employees need 6-8 years of experience to qualify for this tier, and even the same position in different salary levels salary varies, for example, in the fifth tier of business development salary is about \$211000, but in the sixth tier of business development salary is about \$ 309000. The minimum salary at the sixth level is not less than \$200,000.

Amazon level 5<sup>th</sup> salary, employees need 3-10 years of experience to enter this ladder, and the sixth level salary is very similar, the minimum salary is about \$200000, but as I said above, even the same position in different salary brackets salary is not the same.

Amazon's level 4<sup>th</sup> salary, employees need 1-3 years of experience, the average salary at this level in \$ 166,000.

Amazon Level 3<sup>rd</sup> salary, the employee's base salary is about \$125,897 per year.

Amazon Level 2<sup>nd</sup> salary, the employee's base salary is about \$88000 per year.

Amazon level 1<sup>st</sup> salary, employee base salary is about \$44,000 per year.

From the distribution of Amazon salary levels, it is easy to see that as employees' work experience increases, their salary levels will increase with their work experience. At level four and above, the base salary will not be less than \$15,000 per year, and at levels nine and ten there are no more than a few hundred employees.

❖ Take the product manager as an example (compare the salary of Amazon, Taobao

Table 2

	Work experience	Basic Salary (annual salary)
Amazon Product Manager	3-10 Year	\$ 191200(≈ ¥ 1376640)
Taobao Product Manager	9 Year	¥ 567600
Jingdong Product Manager	Unlimited	¥ 228000-324000

Source: <https://www.levels.fyi/companies/amazon/salaries>  
[https://www.kanzhun.com/baike\\_salary/1nZ-](https://www.kanzhun.com/baike_salary/1nZ-)  
<https://www.kanzhun.com/firm/wage/detail/1nd80tu7FVJXwoq2WP4~.html>

Amazon product manager (L5) basic salary at \$191,200 per year, in the L5 grade means experience in 3-10 years, Taobao product manager has 9 years of experience, basic salary at ¥ 47,300 per month, annual salary at ¥ 567,600. according to the latest U.S. and China exchange rate conversion, 1 U.S. dollar is equal to 7.2 yuan, then the Amazon product manager (L5) basic salary at ¥ 1376640. This shows that the basic salary of Amazon product manager is higher than that of Taobao product manager. Jingdong product manager basic salary in ¥ 25000 per month, ¥ 300000 per year.

The level of salary affects the motivation among employees. When employees are paid more, they usually feel more motivated to do a good job because they want to keep their workplace. A high salary gives employees a higher sense of security, further improves their quality of life, and gives them a greater sense of accomplishment. According to Zeynep Ton, a professor at the MIT Sloan School of Management, interviewed by the Atlantic, research has shown that an employee satisfied with his pay is more productive and motivated, although pay is not the only factor.

#### ❖ Bonus

Amazon pays an average annual employee bonus of \$15731, with the highest bonus at \$50,565 and the lowest bonus at \$491, depending on the position. Secondly, Amazon does not only offer annual bonuses to its employees, but also pays a lot of health insurance, pension insurance, etc. for its workers in order to promote their welfare (This part will be discussed later).

## ❖ Insurance and Benefits

Amazon employees enjoy a variety of insurance benefits, including (medical insurance, dental insurance, infertility benefits, disability insurance life and accidental death insurance, etc.) Here are not all examples, here is the main description of Amazon's medical insurance and disability insurance, accidental death insurance.

### ➤ Medical Insurance

**Figure 6**

Shared Deductible Plan	Health Savings Plan
<p><b>Network options:</b> Aetna or Premera Blue Cross</p> <p><b>Coinsurance:</b> 90% covered in network</p> <p><b>Deductible:</b></p> <ul style="list-style-type: none"> <li>• \$1,000/employee</li> <li>• \$2,000/employee + spouse/domestic partner or children</li> <li>• \$3,000/family</li> </ul> <p>Comes with a company-funded Health Reimbursement Account that automatically covers the first 50% of your deductible.</p> <p>Depending on who you cover, Amazon contributes the following amount toward your HRA:</p> <ul style="list-style-type: none"> <li>• \$500/employee only</li> <li>• \$1,000/employee + spouse/domestic partner or children</li> <li>• \$1,500/family</li> </ul> <p><b>Out-of-Pocket Maximum (Medical and Prescription):</b></p> <ul style="list-style-type: none"> <li>• \$2,000/employee</li> <li>• \$4,000/employee + spouse/domestic partner or children</li> <li>• \$6,000/family</li> </ul> <p><b>Prescription Drug:</b></p> <p>After you've paid your deductible</p> <ul style="list-style-type: none"> <li>• You pay 10% in-network</li> </ul>	<p><b>Network options:</b> Aetna or Premera Blue Cross</p> <p><b>Coinsurance:</b> 90% covered in network</p> <p><b>Deductible:</b></p> <ul style="list-style-type: none"> <li>• \$1,500/employee</li> <li>• \$3,000/employee + spouse/domestic partner or children</li> <li>• \$4,500/family</li> </ul> <p>Comes with a company-funded Health Savings Account (HSA) that you can also contribute to and save for health care expenses.</p> <p>Depending on who you cover, Amazon contributes the following amount toward your HSA:</p> <ul style="list-style-type: none"> <li>• \$500/employee only</li> <li>• \$1,000/employee + spouse/domestic partner or children</li> <li>• \$1,500/family</li> </ul> <p><b>Out-of-Pocket Maximum (Medical and Prescription):</b></p> <ul style="list-style-type: none"> <li>• \$3,000/employee</li> <li>• \$6,000/employee + spouse/domestic partner or children (up to \$3,000/person)</li> <li>• \$9,000/family (up to \$4,500/person)</li> </ul> <p><b>Prescription Drug (Retail):</b></p> <p>After you've paid your deductible:</p> <ul style="list-style-type: none"> <li>• You pay 10% in-network</li> </ul>

**Source:** [https://www.amazon.jobs/zh/landing\\_pages/benefitsoverview-us](https://www.amazon.jobs/zh/landing_pages/benefitsoverview-us)

This is only a small part of the data in the health insurance, because there are too many data here not to show all, interested parties can go to the website for themselves.

### ➤ Disability Insurance

This coverage is available to employees who work more than thirty hours, and

Amazon offers both short-term and long-term disability coverage at no cost to the employee. Short-term disability. There is a 7-day waiting period for short-term disability (STD) benefits; benefits are then paid for up to 26 weeks. For long-term disability, benefits have a 180-day waiting period, with longer benefit periods determined by the degree of disability and other factors.

➤ **Accidental Death Insurance**

Amazon provides employees with twice the base annual salary of accidental death insurance at no cost, payable to the employee's designated beneficiary if the employee dies unexpectedly.

Amazon increases employee motivation through pay and benefits, gives employees a sense of self-awareness in the company, and increases employee satisfaction with their jobs. Insurance allows employees to feel valued by the organization, that they are not just completing tasks for the employer, and that the employer is not just concerned about whether the employee completes tasks on time, but also about the employee's health and gives protection. Employees are satisfied with their job (salary, benefits) and do not feel the need to look for a better job. If the company treats employees poorly (low pay, poor benefits) employees are not motivated to work and even need to find a second job to secure their livelihood. This can make employees feel tired, out of shape and inefficient at work. This type of company usually has a high employee turnover rate. Secondly, by increasing benefits such as wages and livelihood security, it helps to achieve the organization's goals and increase productivity, which benefits the company's owners by increasing employee compensation and benefits and thus productivity.

## 4.2 Welfare

❖ **Work approval**

Amazon seek top talent from all industries and a range of backgrounds to join their offices and operations centers around the world. People who succeed at Amazon

have something in common—they are customer-centric, they are leaders and they are innovators.

#### ❖ Holiday treatment

They celebrate the growth of all their employees' families through a variety of benefits. They offer up to 20 weeks of paid leave to birthing mothers and six weeks for parents who adopt. Their Leave Share program allows employees to give six weeks of paid parental leave to a spouse or partner who isn't eligible for parental leave from their employer. Plus, their Ramp Back program offers birth parents eight consecutive weeks of flexibility and partial work hours as they readjust to work schedules as new parents.

#### ❖ Employee atmosphere

Amazon's ability to innovate on behalf of their customers relies on the perspectives and knowledge of people from all backgrounds.

Amazon believe that building a culture that is Amazonian and inclusive is integral to people doing their best work and is essential to what Amazon can achieve as a company. Amazon actively recruit people from diverse backgrounds to build a supportive and inclusive workplace. Amazon take steps to ensure employees have a sense of belonging, value, and opportunity.

Amazon have 13 affinity groups (employee resource groups) with more than 87,000 employees across hundreds of chapters around the world. Amazon actively recruit diverse candidates through their partnerships with historically Black colleges and universities, Hispanic-serving institutions and women's colleges, and Amazon have over 40,000 veterans and military spouses working at Amazon.

#### ❖ Personal health and family security

(1) **Employee health.** Taking care of company employees' health and Amazonianness is a priority. That's why Amazon offer medical, dental, and vision coverage to all their regular full-time employees, regardless of their level, tenure, or

position.

Amazon Care is a hybrid virtual and in-person health care benefit available for Amazon employees. Care's virtual services are available in all 50 states, and in-person care is active in Seattle, Washington, D.C., Arlington, Baltimore, Boston, Dallas, Austin, and Los Angeles, with 20+ more markets coming online in 2022 alone.

When employees want to take time away from work, they are afforded ample paid time and paid holidays, in addition to other leave and medical accommodation options that are available for mental and physical health concerns.

(2) **Caring for families.** With many options, employees can choose the benefits that are most valuable for their personal situation. This includes child care and eldercare providers. Amazon employees have free access to a network of more than 2 million caregivers, including nannies, babysitters and special-needs caretakers. Employees receive discounts on certain day care centers, and Amazon provides a variety of free resources for parents of children with autism, ADHD and developmental disabilities. And it also offer adoption assistance for qualified domestic and international adoption expenses including attorney fees, their costs, and travel.

#### ❖ Promotion opportunities

More than 750,000 operations employees in the U.S. are eligible for fully funded college tuition, including cost of classes, books, and fees.

Amazon expanded the education and skills training benefits it offers to its U.S. employees with a total investment of \$1.2 billion by 2025. Through its popular Career Choice program, the company now funds full college tuition, as well as high school diplomas, GEDs, and English as a Second Language (ESL) proficiency certifications for its front-line employees—including those who have been at the company for as little as three months. Amazon also offers three education programs to provide employees with the opportunity to learn skills within data center maintenance and technology, IT, and user experience and research design.

- (1) Funding for college tuition. More than 750,000 operations employees across the U.S. are eligible to have their full college tuition paid for at hundreds of education partners across the country. In addition to funding associate and bachelor's degrees, Amazon's Career Choice will also fund high school completion, GEDs, and ESL proficiency certifications.
- (2) Pre-packed fees. Amazon pays employees' tuition and fees in advance rather than offering reimbursement after theirsework completion, ensuring employees don't need existing funds to start accessing the education options they want.
- (3) Limitless learning. Amazon front-line employees have access to annual funds for education as long as they remain at the company, with no limit to the number of years they can benefit.
- (4) Fast starts. All 750,000 U.S. htheirly employees are eligible to participate in Career Choice 90 days after starting at Amazon. This makes all 400,000 employees who joined the company since the start of the pandemic eligible to access Amazon-funded education opportunities.

## 5. Conclusion

Based on the main analysis in the communication section , Amazon's organizational behavior shows three bright spot: 1,Each leader is required to consider himself as the chief operator of Amazon and make decisions conducive to the company in team cooperation; 2,Two pizzas; 3,The low-price flywheel.

However, Amazon still need to pay attention to the problem of high operating costs. If we want to achieve the goal of high welfare and high salary for employees, downsizing and optimizing or reducing the business structure must be the best choice.



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