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Organizational strengths and weaknesses in the coffee shop industry in Canada

Fortalezas y debilidades organizativas en la industria del café en Canadá

Ingrid Moreira

Southern Alberta Institute of Technology
Alberta, Canada

ingrid.queirozpereiramoreira@edu.sait.ca

Marielle Villarama

Southern Alberta Institute of Technology
Alberta, Canada

marielle.villarama@edu.sait.ca

Angie-Lee Tarrant

Southern Alberta Institute of Technology
Alberta, Canada

Angie-Lee.Tarrant@edu.sait.ca

ABSTRACT

This article aims to examine, through an analysis, the organizational strengths and weaknesses in the coffee shop industry in Canada, to this end, the research was guided by a postpositivist, qualitative, documentary approach, with bibliographic design, including literary review to know the state of the art of the categories studied, as well as the collection of information obtained from the bases and findings of Nelson, Quick, Armstrong, Roubeas, Condie. (2020), Gupta (2021), Grant (2019), Daga (2020), Martinez & El Kadi (2019) and D'Amours (2020). The findings demonstrate the strengths and weakness of Tim's Hortons on the organizational behavior environment. This relationship categorizes the company as needs affiliation theory of the organizational environment. The company had a strong relationship with the community, and it reflected directly on the work environment, in general people liked to work there. The company believes employees perceive that they contribute input to an organization. They are involved in many Social Corporate Responsibility, including camps for the young generation and ecofriendly initiative. It was recommended in relation to the individualism dimension that Tim Hortons need to try to open the mind of their employees to offset the culture difference. It helps to understand, evaluate, and learn from their colleagues. The second recommendation now related to the long-term difference, is to create a career plan to encourage employees to think and create a long-term perspective.

Key words: Organizational strength, Organizational Weaknesses, Coffee Shop Industry, Leadership, Negotiation.

INTRODUCTION

Coffee is a big part of most modern people's lives. It is an industry that produce a considerable amount of money and had a large number of employees on this industry. Most of Canadians are passionate for coffee and Tim Hortons is the first thing that Canadians will think about when it comes to coffee shops and most Canadians know what it is, and it is the first coffee shop that they think about. If there was any major food chain that is unique to Canada it would be Tim Hortons because it is imbedded deeply in Canadian culture. Tim Hortons is the biggest food chain in Canada and for good reason, it is because Canadians love it and cannot get enough of it.

Tim Hortons is a Canadian brand since 1964, with a considerable number of restaurants around Canada the owners of Tim Hortons are Canadians. The company provides a large amount of dollars per year to organizations and communities throughout Canada. The most popular products that the company sells are coffee, donuts, and Timbits. Tim Hortons is one of largest restaurant chains that serving 80% of Canadians at least once a month. Tim Hortons is part of the culture and values of Canada. The company has addresses six important components: promoting gender inclusion, promoting a viable economic future for young adults, improving coffee quality, strengthening climate-smart production, building, and strengthening farmer organizations, and building partnerships through collaborative initiatives. (Tim Hortons, 2021).

When it came to choosing a company to focus on for this research paper, Tim Hortons had a few varied reasons. Primarily, Tim Hortons is an icon Canada. They offer convenience, superior products at affordable prices, as well as its deep commitment to being part of and giving back to the community while still being a large company owed by Canadians.

Tim Hortons also stays true to their commitment to being environmentally friendly, not to mention its massive and diverse customer base.

METHODOLOGY

The research that originated this article was directed with postpositivist method, qualitative approach, documentary and bibliographical design, understanding the literary review, the information as well as the identification and categorization of objectives. Different sources were explored, several scientific articles and books, through which

relevant information was compiled, working documentary observation with the matrix analysis of the categories, by means of a comparative critical review.

Based on the findings of Pelekais et al., (2015), for whom describing the documentary research refers to a study that demand for its development of a pre-existing condition have selected a topic in specific that needs to expand, for it to be done, it must have been defined and sufficiently justified for the purpose of exploring the reality of what is investigating in the sources consulted, also concern the need for accuracy, clarity, as well as the level of synthesis which must meet, so realized approach demonstrates relevance and total correspondence with what was analyzed. In this way, this created the base to respond to the several inquiries emerged from this investigation.

ORGANIZATIONAL CHALLENGES FOR TODAY

Considering that Tim Hortons wants to expand their business to China, the company needs to analyze the Hofstede dimensions and how the culture differences can impact the business. “Culture is defined as the collective mental programming of the human mind which distinguishes one group of people from another” (Hofstede Insights, 2022).

THE TWO CULTURES DIFFERENCES

First culture difference is the Individualist, “In Individualist societies people are supposed to look after themselves and their direct family only. In Collectivist societies people belong to ‘in groups’ that take care of them in exchange for loyalty.” (“Country Comparison”, 2022).

Canada has the highest dimension score; scores 80 on this dimension. Related to the business word, it emphasizes the meritocracy (“Country Comparison”, 2022).

China has the highly collectivist culture, with a score of 20. Related to the workplace, everyone is looking out for each other’s best interests. It makes people look for acceptance, belonging, and being a team player.

The second cultural difference is long-term orientation, the point is on the future. People are disposed to delay the temporary gratification to prepare for the future. While in the short term they value traditions, the present and the past.

Canada scores 36 on long term orientation, categorize as a normative society. People show deep admiration for traditions, an insignificant tendency to save for the future, and goal to realize rapid marks. (“Country Comparison”, 2022).

China scores 87 on long term orientation, which means that it is an empirical culture. They are convinced that truth depends on circumstances, factors, and time. People can adapt to historical convention and easily altered to the circumstances, a solid tendency to save money and investments, thrift, and persistence in realizing marks. (“Country Comparison”, 2022).

ACTIONS RECOMMENDATION

The first recommendation related to the individualism dimension is Tim Hortons need to try to open the mind of their employees to offset the culture difference. It is always a promising idea and works to put themselves in place of others, be more empathetic. It helps to understand, evaluate, and learn from their colleagues.

The second recommendation now related to the long-term difference, one alternative as a work arrangement is Tim Hortons can create a career plan to encourage employees to think and create a long-term perspective.

WORK ARRANGEMENTS ALTERNATIVES

The 2020 global pandemic of COVID-19 has forced businesses to re-evaluate how and where employees work. The first arrangement that the company are face is where employees work, “71% of those workers are doing their job from home all or most of the time. More than half say, given a choice, they would want to keep working from home even after the pandemic.” (Pew Research Center, 2020). This percentage shows a new preference in a workplace that have been considerably efficient.

A second arrangement is how people are working. A lot of people have lost their jobs and have their shift hours reduced. As a result, the number of people working as freelancers has increased, that they can call it as the “gig economy”.

Gigging, the process of jumping from job to job or taking on multiple freelance jobs at one time, is growing in popularity, with some estimations predicting the gig economy will grow to over 40 percent of the workforce by 2020. This has big implications for all workers and employers. (Grant, 2019).

PERSONALITY AND PERCEPTION

“Axel Schwan is the president of Tim Hortons in Canada, US, and Latin America” (Restaurant Brands International, 2019). Based on the Big Five Personality Test, which evaluated the five personality elements that psychologists have conclusive that are core to our personality makeup, Schwan scored 83% on Extraversion, 77% on Agreeableness, 75%

on Openness, 71% on Conscientiousness, and 19% on Neuroticism. He is more of an extravert because his colleagues say that he is a strong leader of individuals and groups, and to be a strong leader you need to communicate well with your team and let them know what you want. He also prefers to work in teams, which shows that he is open-minded and likes hearing from others. He was also the CMO of Burger King before he worked as the President and CEO of Tim Hortons, so he has a good background in leadership and the ability to run a company (DX3 Canada, 2021). Axel grew up with a family in the restaurant business and dedicates his time to providing his guests with a good experience so they can go home happy. Schwan also works to bringing families and communities together over a cup of coffee (Strategy Online, 2021).

PERCEPTUAL BARRIER

A perceptual barrier that would affect Axel's hiring decision is Self-Fulfilling Prophecy. "The self-fulfilling prophecy refers to a belief or expectation, regardless of whether it is true or not, that influences one's own behavior and that of others in a way such that the belief or expectation becomes true" (Muondo, 2013). His expectations for his team are high, and once he hires someone, they will be under a lot of pressure to keep up with his expectations. He is big on encouragement so he manifests success on his team even though they might not be great at working together in the beginning (Kashyap, 2021). His team might become successful because he is a great leader, and they will want to live up to his expectations. Another problem is that if his team fails to meet his expectations there will be conflicts about who is not holding their weight and living up to his high expectations.

MISSION, VISION, AND VALUES

Tim Hortons assures their customers through their mission, vision, and core values that they can deliver the freshest products using the highest quality ingredients for both their coffee and pastries. They aim to make a difference in their communities through innovation, excellence, and servant ship. Training for their employees and quality of service are also a top priority for Tim Hortons, making it a standard practice for all their locations to provide their customers with the best customer experience possible. Aside from providing high quality products and services, they also expand their focus to giving back to the community.

Tim Hortons Foundation Camps, also known as Tim's Camps, is one of the many CSR activities that Tim Hortons undertakes. It aims to unlock our youth's potential by

giving them development opportunities so they can give back to their neighborhood. Tim's Camps align with their mission, vision, and core values perfectly since they recognize the youth's contribution to a better future. Tim's Camps focuses on developing social and emotional skills, building supportive relationships, cultivating an innovative mindset, and boosting independent living capabilities (Tim's Camps, 2022). Since the pandemic began, Tim's Camps has shifted to a virtual platform to continue serving the youth. They recognize that the young people of today are struggling more than ever with their mental health, partly due to the lack of social interaction. In 2020 and 2021, Tim's Camps served a total of 7,679 eCampers and are looking forward to serving more young people this 2022.

REFLECTS SOCIAL CORPORATE RESPONSIBILITY THAT IS CONSISTENT WITH THEIR VALUES.

One example of an action that Tim Hortons has used to apply persuasion to change their customers' attitudes is their commitment to ecofriendly initiative. "Small changes, Big impact" the source characteristics for this example would be that they are appealing to consumers in the sense that they have always been and continue to be a strong Canadian and community-based company. Now that they are making the change to eco-friendly packaging and thus forth already eliminated over a billion individual use plastic packaging in Canada, this is very enticing to customers because the environment is an important and prominent issue today. Their source message is a positive one of saving the planet and continuing to go beyond what a lot of companies might pass over or not care as much about. Buitrago & El Kadi (2019).

DIGITAL NATIVES INFLUENCE YOUR COMPANY'S MEANS OF COMMUNICATION

Digital Natives are born when the internet was around such as Millennials and Generation Z and since these people are tech-savvy, companies such as Tim Hortons use a different approach of communication when it comes to these technology-driven generations (Nelson al., 2019). What Tim Hortons is currently doing is attracting digital natives by growing their internet presence and focusing more on social media platforms (Tim Hortons' Facebook, 2022).

THE CHALLENGES AND BENEFIT OF DIGITAL COMMUNICATION.

Digital Communication is a way of interacting with people, which relies on technology and comes with both challenges and benefits (Daga, 2020). One of the drawbacks of digital communication is that it allows people to express their opinion in a

way that very much differs from face to face. In other words, this type of communication allows people who are usually reserved in person to be more vocal and take a more radical stance. For instance, it is uncommon to see how people spread hate, racism, homophobia, sexism, etc. on the internet. Another negative aspect that digital communication causes is that it is sometimes difficult to interpret digital messages since they are more ambiguous compared to actual in-person conversation where body language, tone, and facial expression help to fill the gap of uncertainty. However, every cloud has a silver lining and digital communication does bring benefits to the table. For example, this type of communication reduces language barriers since it gives time to translate and reflect on the message for those who are communicating in their non-native language (Nelson et al., 2019).

BARRIERS TO COMMUNICATION THAT IS FACED BY THE COMPANY AND HOW TO OVERCOME THESE BARRIER

Since Tim Hortons is mostly located in Canada, it requires precision and careful strategy to satisfy its diverse population. (Paz et al. 2017). One of the barriers that Tim Hortons is facing is making sure that everyone feels included and nobody gets left out in the community. To tackle the issue, Tim Hortons is currently using its social media platforms to reach all people of different ethnicities, races, gender, religion, and age. On their official Facebook page, there is a post where they wish Happy Hannukah, which is a Jewish holiday. There are also videos and posts to encourage girls to play hockey and break the stigma of “girls don’t play hockey.” In addition to that, each post is in English and French and this way, French Canadians also feel a sense of belonging (Tim Hortons’ Facebook, 2022). To retain its success in the future, Tim Hortons should keep promoting diversity and make sure that every individual feel welcomed and represented.

Another barrier that Tim Hortons is facing is separation. To be more precise, many employees are complaining that they are being underpaid, do not get benefits, and have managers that give them a challenging time. Many argue that Tim Hortons is not listening to the negative feedback given to them and therefore, they are experiencing a high turnover rate and a challenging time finding new employees. To solve this issue, the company should try to create bond and connection with its employees by recognizing that this problem exists, and they need to actively listen to their employees and their feedback and finally act. (Darrah, 2021)

NEEDS THEORY

Tim Hortons has many employee motivation strategies. The needs theory that is more applicable here is “The need for affiliation (often abbreviated as Naff) describes an urge to establish and maintain warm, close relationships with others” (Nelson et al., 2020, p. 92). Tim Hortons motivates their employees by supporting diversity and inclusion in the workplace. Tim Hortons has the objective of three predominant areas of diversity: cultural, gender, and generational diversity. As an example of gender diversity, many of the employees at Hortons who are working in a managerial position are females.

Process Theory

The Equity Theory is the most applicable to Tim Hortons' environment. “The theory proposes that all employees perceive that they contribute inputs to an organization (such as time, experience, creativity, etc.) and receive outcomes from the organization in return (in the form of pay, awards, benefits, recognition, etc.)” (Nelson et al., 2020, p. 93). As an example, the program's benefits include service awards, learning opportunities, referral letters (Tim Hortons, 2022).

Recommendation of Intrinsic and Extrinsic Incentive

Although Tim Hortons already offers a very wide variety of excellent ways to motivate their employees, (including sick leaves, training programs, a very inclusive and culturally diverse environment etc.) there can always be new ways to work on motivating the people working in or for a company.

One method of motivation that is missing from their many employee incentives would be offering fully paid maternity leave for team members within the company.

The Extrinsic incentive that would come along with adding a policy like paid maternity leave would first and foremost be the monetary benefit, having the guarantee of getting a physical paycheck at the end of the day, followed by having a set amount of time off from work to take care of family and personal well-being. El Kadi & Antunez (2017).

As for the intrinsic incentive that team members would derive from this would be things such as peace of mind knowing that things like bills will not be an added worry while taking care of a child. As well as the absence of the worry and stress of not having a job to come back to, or the uncertainty of what kind of job you would be coming back to at the end of your leave.

Advantages and Disadvantages of Teams

Burger King was purchased by 3G Capital, a Brazilian private equity group, in 2010 and was turned around using a combination of new marketing strategies, namely – limited-time specials, aggressive bargains, and improved franchise relations to drive sales. “Four years later, in 2014, Tim Hortons was welcomed into the Burger King Family and was nested under the parent company called Restaurant Brands International or RBI” (Maze, 2020). They utilized the same marketing approach which, unfortunately, did not translate well to Tim Hortons customers. Tim’s did not do well during these times and their reputation had a steady decline. In 2018, their ranking plummeted from 13th place to 67th in the span of one year (The Canadian Press, 2018).

In order to save the brand, RBI’s executive team made drastic decisions – they changed Tim’s leadership team to redirect the company’s focus, added new technology to improve drive-thru speed, and invested in state-of-the-art water filtration systems and brewing machines to make better coffee. Jose Cil, RBI’s CEO at the time, said “We rebuilt our team, and we came out with a game plan that was basically focused on what made Tim’s famous—back to the basics.” (Maze, 2020).

RBI was wise in using a team of executives to resolve Tim Hortons’ reputation issue rather than letting one person do the job because the perspectives each executive had were crucial in solving the problem. In 2019, Tim Hortons regained momentum by climbing the ranks and claiming the 36th spot in Kantar’s Top 75 Global Retail Brands. Another benefit of using a team to solve the issue is the retention of trust Tims employees have on the brand and the leaders. Tim Hortons has a rating of 3.5 on Glassdoor and 3.7 on Indeed (Gupta, 2021) and El Kadi (2020). Many current and ex-employees leave good feedback about the company, despite the messy merger that they have had in recent years.

Group Behavior and Effectiveness

Merging companies is a difficult job for both the executives of the company and employees. Many people do not like change and have a hard time adapting, but it will be easier if you have a well-built team running the company and stores. A team is made up of two or more people working together to achieve a goal. Burger King’s revenue fell from \$2.3 billion to \$1.1 billion in 2011. In other words, 3G Capital had lots of work to remarket the slowly declining food chain. The merger of Burger King and Tim Hortons have made Tim Hortons able to expand globally because of its 13000 places in around 100 countries

and areas that Burger King will be able to earn extra money through the profits of Canada's beloved Tim Hortons. Tim Hortons has expanded in 13 other countries around the world since the merger and almost 1000 locations outside of Canada. This is an example of two companies merging and forming an amazing team to expand and reinvent each other's companies to make a bigger profit and become bigger competitors in the global fast food chain market.

THE COMPANY'S BASIC ORGANIZATIONAL STRUCTURE

“Tim Hortons was founded by the hockey player, Tim Hortons” (Franchise chatter, 26, 2020). Initially, it was just a small doughnut and coffee shop. However, as the consumers' preferences changed so did the menu for Tim Hortons. Tim Hortons produced highly demanded products such as muffins, soups, cappuccinos etc. When it was first established, the restaurant was centralized. After the expansion of the restaurant, Tim Hortons had functional organizational structure so that the different functions of the organization coordinate to provide quality fresh food always as per their mission statement. Their bakeries section was centralized to avoid duplication of orders. Their vertical integration supply chain system enables them to provide quality fresh food to their outlets on time always. Cost reduction was their strategy for adopting the functional organizational structure to have expertise from different fields. Martínez & El Kadi (2019).

As the business grew, they started franchising their restaurant. Since their franchises are available everywhere, they can meet their objectives to fit in everywhere even though there is no space available. Additionally, they were able to adapt to the non-traditional preferences, thus meeting their objectives. This made Tim Hortons have great value propositions such as cost leadership (dominance with low cost products).

Design Dimensions

The first design dimension is centralization referring to the concentration of decision-making authority at advanced organizational stages. “In centralized organizations, various crucial choices are ended at advanced stages of the hierarchy, but in decentralized organizations, choices are ended, and issues remain handled at lesser stages by workers who are closest to the issue at hand” (Lumen Learning, n.d.).

The second design dimension is the formalization referring to the level to which a company guideline, processes, job specification, and norms remain described and clearly expressed. Formalized structures have a lot of written rules and regulations. Written rules

are used to govern employee behavior in these systems, leaving workers with little authority to type judgments on a case-by-case basis. The worker's behavior becomes more expectable because of formalization. Employees are aware that if a problem develops at work, they should check a handbook or procedural guideline. Consequently, employees across the company respond to circumstances in the same way, which leads to consistency in behavior. (Lumen Learning, n.d.)

The third design dimension is the hierarchy of authority. Elevated structures have some levels of administration flanked by frontline people and the highest stages, whereas smooth structures have just a limited layer of administration. High structures tend to have fewer people reporting to each management, providing managers greater opportunities to observe and monitor worker behavior. However, smooth structures feature a greater number of people writing to each management. As in a system, managers will be incapable of delivering close supervision, resulting in better degrees of employee satisfaction. (Lumen Learning, n.d.)

CONFLICT AND NEGOTIATION

The Conflict Scenario

Conflicts can be described as disagreements between two or more parties with different goals, values, attitudes, beliefs, etc. (Nelson et al., 2020). In this chapter, a heated debate between Tim Hortons and its employees will be discussed. In Ontario 2018, there was a minimum wage increase from \$11.60 to \$14 and to offset this, the owners of Tim Hortons decided to cut back employee benefits. What was initially seen as a minor change soon sparked a domino effect (Harris, 2018).

The Sources of the Scenario

As a result of the benefit cuts, those hard-working Tim Hortons' employees went ahead and publicly accused the coffee giant of unethical behavior and demanded the corporation to give back what was taken from them (Harris, 2018). The situation is an example of task conflict as it is about work details and in this case, the owners of Tim Hortons and its employees clearly have different expectations and opinions regarding workers' benefits. The scenario is also a process conflict as Tim Hortons doesn't believe it has responsibility and obligation to provide these benefits to its employees, especially given the fact that they already receive higher wages due to the minimum wage increase (Nelson et al., 2020).

The Four Phases of Conflict

The event underwent four phases of conflict and is still in process. It started out with the fact that most employees were constantly experiencing issues such as burnout, feeling overworked, and rarely having days off. Then when Ontario announced it will raise its minimum wage, the employees were naturally delighted but it didn't last long. They were all caught off guard when Tim Hortons declared it will cut back employees' benefits to make up for the higher cost of labor. This was the trigger point that devastated not only the employees, but the public as well (Harris, 2018). Tim Hortons received backlash and adverse reactions which had a detrimental impact on its reputation and image. In 2021, the conflict hasn't been solved and the issue persists (Darrah, 2021).

Conflict Management Technique of the Company

To resolve the conflict between two parties, Tim Hortons could apply expanding resources technique, which is a simple solution that often goes unnoticed by many organizations. It is a conflict management technique that states that if there is a quarrel over lack of resources, the solution would be to simply expand them. (Nelson et al., 2020).

Evaluation of the Technique was Effective or Ineffective

In the short run, the company could return some of its benefits to employees but not fully. This way the workers are satisfied at least to a certain extent without hurting the company's bottom line. As for the long term, the corporation should aim to give all benefits to employees. Overall, the expanding resource technique is effective as in this case, it will lead to better employee retention, public image, and customer satisfaction as happy employees tend to serve better. Naturally, this is going to be costly but will pay off down the road. De Pelekais & El Kadi (2019).

The Company's Leader Power Bases

Axel Schwan's base of power is expert, which is that he was chosen based of his high levels of skill and knowledge. Axel Schwan has been in the restaurant business for a decade now and knows the business very well. Before he was the president of Tim Hortons, he was international leading marketing for two big brands (Burger King, Tim Hortons) would be a perfect guy for the job and has the requirements to lead Tim Hortons in the right path. "I am very proud to welcome Axel to the leadership team. I have worked closely with him in Europe, the U.S. and now in Canada and he has proven himself to be a valuable leader of our Tim Hortons business, as well as a strong leader of people and teams,"

(International, 2019). This quote from Jose Cil proves that Axel Schwan has the knowledge and experience to run Tims and that he is an expert at what he does.

The Company's Leader Decisions

Axel Schwan used his power ethically during the beginning of the pandemic. "During this time of hardship Tim Hortons decided to donate over 110000 coffees and baked goods to essential workers. The Tim Hortons team also partnered with 1500 restaurant owners across Canada to support frontline workers with donations of coffee and food" (Tim Hortons, 2020).

Axel Schwan's focus was mainly hospitals since the staff was overworked and underpaid during the initial spikes of Covid-19. This shows that Tims as a company is using their power ethically because they are supporting the workers who need coffee and food the most and giving free coffee to hospital workers across Canada will make their hard days of work a little better.

Ethical Power

Axel Schwan used his power ethically and produced a good outcome for people both inside and outside the organization. Not only did Tim Hortons donate over 110000 coffees and baked goods to essential workers, but he also committed up to \$4000000 to support the sick team members affected by covid-19.

Axel Schwan did respect the rights of all parties. He did so by supporting his employees who were sick if they followed protocol by staying home when they were sick. This would benefit both parties because the workers who were sick were getting support from the company and the company could continue running and providing coffee and food to customers. So, it was a decision that cost the company a lot of money but benefited the company's ethics by showing loyalty to their workers.

Axel Schwan has a lot of knowledge of the restaurant business and knows how to run them, even during a crisis like covid-19. His decision and behavior during this time was equal and fair for both sides. If employees followed covid-19 protocol they could get support from Tim Hortons and if they did all the Tim Hortons across the world could keep running and making money. Even though this decision lost Tim Hortons a lot of money Tim Hortons gained loyalty from their employees and still made money and kept things running while doing so.

LEADERSHIP

Leadership Theory

The situational leadership theory best describes the current leader, Tim Hortons, as they have from time to time played various roles in the organization depending upon the circumstances prevailing and factors affecting the company. For example, they have acted as a coach, supervisor, authoritarian, team member and much more for his followers to lead them to the path of success. They have at times proved to be risk takers while at the same time retained standard operations of companies depending on what the environment calls for. Therefore, they have proved to be a situational leader who changes his approach to suit the existing conditions.

Followership

Tim Hortons' executive team is composed of Axel Schwan (CEO), Matthew Moore (COO), Cynthia Devine (CFO), and Hope Bagozzi (CMO). Since the beginning of the pandemic, this team worked tirelessly to rebrand and restructure the company. They buckled down to put quality as their priority, while working on "bringing swagger back" to the legendary coffee chain (Siekierska, 2021). The management team of Tim Hortons' company, on the international brands, also recognizes the need to go back to basics: focus on quality and efficiency to provide the best customer experience possible (Siekierska, 2021). This team perfectly demonstrates effective followership. Independence, innovation, follow-up, and courage can be observed in the way that they work and how they see the company in the years to come.

Important Concepts in Leadership

Trust is essential in any organization. In order for an organization to thrive, employees must trust the leader. Trust, however, does not come automatically. In order for followers to trust their leader, the leader must show concern about the followers' welfare, competence in their work, and foresight. When Axel Schwan was appointed as Tim Hortons' Chief Executive Officer and President for Canada and US, this is exactly what he has shown. "Having grown up in a family of restauranteurs and working as a restaurant operator myself, I look forward to continuing to work closely with our 1,500 restaurant owners across Canada and the rest of the Tim Hortons family in providing exceptional products and service to all our guests," said Axel Schwan (Tim Hortons, 2019). Since then, Schwan has stuck to his word and spearheaded Tim Hortons' brand-based advertising. He

has also led Tim's' advocacy for sustainability, which has saved 900 tons of paper and 300 million single use plastics as of 2021 (Tim Hortons, 2022).

ORGANIZATIONAL CULTURE

Levels of Organizational Culture

There are many examples of artifacts that Tim Hortons uses, from their uniforms to friendly atmosphere and environment. But one example of artifacts that the Tim Hortons company uses that stands out most is their "Tim's for Good" Campaign. They are, rightfully so, proud to advertise the amount of work and good they are constantly committed to doing within and for the community. They recognize that even though they are a very large company they can and will still help the little guys and make an impact.

Tim Hortons is a wonderful company for examples of company values, as they do a lot for their employees and customers. One key value of the company is their "Personal excellence" value. The employees of this establishment are encouraged to be their best, gain as much knowledge as possible and are offered many ways to work on personal improvement and advancement. By offering such things as competitive benefits, flexible schedules as well as new opportunities and challenges daily. It is clear that Tim Hortons values and respects their employees.

As far as assumptions go for Tim Hortons, again this is an area that there are many different things to choose from but one that should be focused on would be their assumption of "leveraging the strong awareness and convenience we have created in our core and priority markets to drive average unit volumes and enhance returns." They are well aware of how prominent their symbol is as part of and working for the community and take advantage of using that towards expending, maintaining and improving as a company and as employers and influencers.

Espoused Value X Enacted Value

Tim Hortons is a strong believer in honesty, integrity, fairness, and giving back to people and communities, however, the coffee giant was accused of unethical behavior and received backlash in 2018. (Tim Hortons, n.d.) When minimum wage increased in Ontario in 2018, this meant higher labor costs for Tim Hortons. During times of increased costs, companies usually raise their prices for their products, however, this was not the case in this situation as Tim Hortons' prices remained stable and did not change much. However, this was too good to be true as some consumers found out that Timbits are now much

smaller than they used to be, 50% to be precise. Naturally, as soon as this information was unveiled, consumers shared their opinion on the internet, and many said they felt like they were tricked and deceived by the company. (Keith, 2018) Although the company espouses values of fairness and giving consumers the best, this scandal proves otherwise and unveils their true enacted values.

How Culture is Started, Shaped and Reinforced

“Axel Schwan is the president of Tim Hortons in Canada, US, and Latin America”. (Schwan, n.d.) Amid COVID-19 in 2020, Tim Hortons’ leaders decided to provide \$40 million fund for employees who caught the virus. This allowed sick employees to isolate themselves in their dwellings while still getting paid. The decision put workers at ease, reduced anxiety, and allowed them to recuperate properly. (George-Cosh, 2020) Based on this, it can be assumed that the company provides a generous, affectionate, and caring work environment for its employees.

In 2021, Axel Schwan announced that the company will give a Holiday Bear, which is an ornament meant to enhance and decorate people’s lawns. Axel also mentioned that this unique decoration was created to add joy and boost people’s mood. (Hortons, 2021) Although this decision was directly targeted to consumers, it can apply to employees as well. Based on this, it can be said that the company is trying to build an easy-going, friendly, relaxed, and joyful culture withing their workplace.

CONCLUSION

Tim Hortons has the significant importance in Canada special as a Canadian brand, this article had shown the strengths and weakness of Tim’s Hortons on the organizational behavior environment. This relationship categorizes the company as needs affiliation theory of the organizational environment. The company had a strong relationship with the community, and it reflected directly on the work environment, in general people liked to work there. The company believes employees perceive that they contribute input to an organization. They are involved in many Social Corporate Responsibility, including camps for the young generation and ecofriendly initiative. Axel Schwan’s, president of Tim Hortons, who was chosen based of his high levels of skill and knowledge. He had supported the company values, their power ethically that the company believes and explicit recognition of team importance.

All these facts above showed that people believe that working at Tim Hortons is a great opportunity for their careers and for the community. Expansion in China would also be a good idea for the company since Tim Hortons show a sense of community and collectivism that is also present in the Chinese culture.

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