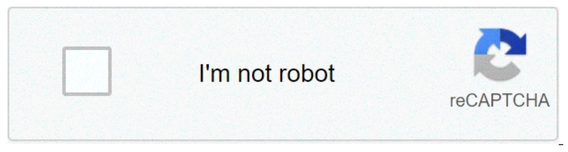

Continue

Organization theory and design 12th edition ppt

MicroSoft PowerPoint Slides have been developed for use with Organization Theory and Design, 7e, and Essentials of Organization Theory and Design, 2e, by Richard L. Daft. Download each chapter separately or click on "all chapters" below to download the self-extracting file that contains the slides for all chapters. If the slide show version of the slides automatically opens when you click on a chapter link, right-click on the link and then choose "save target as" (or "save link as") from the menu that appears. You can then save the file to the location of your choice. Download all chapters here. PowerPoint Viewer 1 1 Chapter Organizations and Organization Theory Organization Theory and Design Twelfth Edition Richard L. Daft 2 Organization Design in Action Current Challenges – Globalization – Intense Competition – Ethics and the Green Movement – Speed and Responsiveness – Social Business and Big Data Organization design helps us explain what happened in the past, as well as what may happen in the future, so that we can manage organizations more effectively 2 ©2017 Cengage Learning. All Rights Reserved. May not be scanned, copied or duplicated, or posted to a publicly accessible website, in whole or in part 3 What is an Organization? Social entities that are goal-directed Designed as deliberately structured and coordinated activity systems Linked to the external environment 3 ©2017 Cengage Learning. All Rights Reserved. May not be scanned, copied or duplicated, or posted to a publicly accessible website, in whole or in part 4 The Organization is an Open System © 2017 Cengage Learning®. 4 5 Importance of Organizations Organizations are a means to an end The corporation has played a significant role in the last 100 years Produce goods and services efficiently Facilitate innovation Adapt to and influence a changing environment Create value for owners, customers, and employees Accommodate ongoing challenges of diversity, ethics, and the motivation and coordination of employees 5 ©2017 Cengage Learning. All Rights Reserved. May not be scanned, copied or duplicated, or posted to a publicly accessible website, in whole or in part 6 The Importance of Organizations 6 ©2017 Cengage Learning. All Rights Reserved. May not be scanned, copied or duplicated, or posted to a publicly accessible website, in whole or in part. 7 Dimensions of Organization Design Structural Dimensions – Formalization – Specialization – Hierarchy of Authority – Complexity – Centralization Contingency Factors – Size – Organizational technology – Environment – Goals and strategy – Culture 7 ©2017 Cengage Learning. All Rights Reserved. May not be scanned, copied or duplicated, or posted to a publicly accessible website, in whole or in part 8 Interacting Structural Dimensions of Design and Contingency Factors 8 ©2017 Cengage Learning. All Rights Reserved. May not be scanned, copied or duplicated, or posted to a publicly accessible website, in whole or in part. 9 Organization Chart 9 ©2017 Cengage Learning. All Rights Reserved. May not be scanned, copied or duplicated, or posted to a publicly accessible website, in whole or in part. 10 Differing Characteristics of Three Organizations 10 ©2017 Cengage Learning. All Rights Reserved. May not be scanned, copied or duplicated, or posted to a publicly accessible website, in whole or in part. 11 Performance and Effectiveness Outcomes Efficiency – amount of resources used to achieve the organization's goals Effectiveness – the degree to which an organization achieves its goals Stakeholder Approach – balancing the needs of groups in and outside of the organization that has a stake in the organization's performance 11 ©2017 Cengage Learning. All Rights Reserved. May not be scanned, copied or duplicated, or posted to a publicly accessible website, in whole or in part. 12 Major Stakeholder Groups and What They Expect 12 ©2017 Cengage Learning. All Rights Reserved. May not be scanned, copied or duplicated, or posted to a publicly accessible website, in whole or in part. 13 The Evolution of Organization Theory and Design Historical perspectives provide insight into how organization design and management practices have varied over time in response to changes in society. 13 ©2017 Cengage Learning. All Rights Reserved. May not be scanned, copied or duplicated, or posted to a publicly accessible website, in whole or in part. 14 Historical Perspectives Efficiency is Everything – Scientific Management: Pioneered by Frederick Winslow Taylor How to Get Organized – Administrative Principles Contributed to Bureaucratic Organizations What about People? – Hawthorne Studies Can Bureaucracies Be Flexible? – Flexible and lean; focused on service, quality, and engaged employees (1980s) It All Depends: Key Contingencies – Contingency: there is no "one best way" 14 ©2017 Cengage Learning. All Rights Reserved. May not be scanned, copied or duplicated, or posted to a publicly accessible website, in whole or in part. 15 Organic vs. Mechanistic Mechanistic – characterized by machine-like standard rules and procedures with clear authority Organic – design of organization is looser, free-flowing, and adaptive Depends upon: – Structure – Tasks/Roles – System Formality – Communication – Hierarchy versus Collaboration ©2017 Cengage Learning. All Rights Reserved. May not be scanned, copied or duplicated, or posted to a publicly accessible website, in whole or in part. 15 16 Organic and Mechanistic Designs 16 ©2017 Cengage Learning. All Rights Reserved. May not be scanned, copied or duplicated, or posted to a publicly accessible website, in whole or in part. 17 Contemporary Ideas Today's organizations are still imprinted with hierarchical, formalized mechanistic approach A few organizations have shifted to an organic "bossless" design Open Systems are adaptive and interact with the environment Culture has to engage employees to support a non- hierarchical environment 17 ©2017 Cengage Learning. All Rights Reserved. May not be scanned, copied or duplicated, or posted to a publicly accessible website, in whole or in part. 18 Framework for the Book Four levels of analysis characterize organizations Organizational behavior is the micro approach Organization theory and design is the macro examination Organization design is concerned with the big picture of the organization and its major departments 18 ©2017 Cengage Learning. All Rights Reserved. May not be scanned, copied or duplicated, or posted to a publicly accessible website, in whole or in part. 19 Levels of Analysis in Organizations 19 ©2017 Cengage Learning. All Rights Reserved. May not be scanned, copied or duplicated, or posted to a publicly accessible website, in whole or in part. 20 Framework for the Book ©2017 Cengage Learning. All Rights Reserved. May not be scanned, copied or duplicated, or posted to a publicly accessible website, in whole or in part 20 21 Design Essentials Organization design provides tools for a changing environment. Managers face new challenges including globalization and ethical scrutiny. Organizations are open systems that obtain inputs from the environment, add value, and discharge products and services. Managers shape organizations to perform well for society ©2017 Cengage Learning. All Rights Reserved. May not be scanned, copied or duplicated, or posted to a publicly accessible website, in whole or in part. 21 22 Design Essentials Organization design perspectives have varied over time. Organization designs range from mechanistic to organic. Most concepts pertain to the top- and middle management levels of the organization. ©2017 Cengage Learning. All Rights Reserved. May not be scanned, copied or duplicated, or posted to a publicly accessible website, in whole or in part. 22 Loading PreviewSorry, preview is currently unavailable. You can download the paper by clicking the button above. The maximum number of products that can be compared is 4. Please refine your selection. Organizational Theory, Structure & Design • Books to be read • 1. Understanding the theory & design of organizations- Richard L Daft • 2. Organization Theory- Stephen Robbins • 3. Organizations- structures, processes & outcomes- Richard H. Hall • 4. Organizational Theory- Gareth Jones • 5. Organization Structure and Design- Mirza Saiyadain & Poornima GuptaORGANIZATION THEORY, STRUCTURE AND DESIGN- (OTSD) How an Organization Creates Value Organization's Inputs Raw materials Money and capital Human resources Information and knowledge Customers of service organization's Organization's Environment Shareholders Suppliers Distributors Government Competitors Organization's Conversion Process Machinery Computers Human skills and abilities Organization's Outputs Finished goods Services Dividends Salaries Value for stakeholdersOrganisational Theory, Structure and Design-OTSD Increase specialization & Division of labor Use large-scale technology U Which increases the value that the orgn.can create Manage the external environment The use of an orgn. allows people jointly to: W Economize on transaction costs Exert power & control OTSD- Organizational Theory is a study of how organizations function and how they affect and are affected by the environment in which they operate. O T consists of three parts viz: Organization Structure Organisational Design Organisational CultureORGANISATIONAL STRUCTURE 1.The formal system of task and authority relationships that control how people are to cooperate and use resources to achieve the organization's goals 2.Controls coordination and motivation: shapes behaviour of people and the organization 3. Is a response to contingencies involving environment' technology and human resources 4.Evolves as organization grows and differentiates 5.Can be managed and changed through the process of organizational designORGANISATIONAL DESIGN 1. The process by which managers select and manage various dimensions and components of organizational structure and culture so that an organization can control the activities necessary to achieve its goals. 2. Balances the need of the organization to manage external and internal pressures so that it I internal pressures so that it can survive in the long run.ORGANISATIONAL CULTURE 1.The set of shared values and norms that control organizational members' interactions with each other and with the people outside the organization. 2. Controls coordination and motivation; shapes behaviour of people and the organization. 3. Is shaped by people,ethics, and organizational structure 4. Evolves as organization grows and differentiates. 5. Can be managed and changed though the process of organizational design. MECHANISTIC ORGANIC ORGANIC 1.Individual Specialization Employees work separately and Specialize in one clearly defined Task 2.Simple integrating mechanisms Hierarchy of authority is clearly Defined and is the major Integrating mechanism. 3.Centralization Authority to control tasks is kept at the top of the organization. Most communication is vertical 4. Standardization Extensive use is made of rules and SOPs to coordinate tasks, And work process is predictable 5. Status-Conscious Formal Organization Employees protect their area of authority and responsibility from others 1. Joint Specialization Employees work together and Coordinate their actions to find the best way of performing a task 2..Complex Integrating Mechanism Task forces and teams are the Major integrating mechanisms 3.Decentralization Authority to control tasks is Delegated to people at all levels Most Communication is lateral 4. Mutual Adjustment Extensive use is made of face-to face Contact to coordinate tasks, and work Process is relatively unpredictable 5. Expertise-Conscious Informal Organization Employees share their skills with others and authority and responsibility change Over time Organic Model Mechanistic Model 1. High Specialization 1. Cross-functional teams 2 Rigid Departmentalization 2. Cross-hierarchical teams 3. Clear chain of command 3. Free flow of information 4. Narrow spans of controls 4. Wide spans of controls 5 Centralization 5. Decentralization 6. High Formalization 6. Low Formalization CEO Corporate Headquarters Staff Sr.VP Sr. VP Sr. VP Sr. VP R & D Finance Materials. P. C. Consumer Electron. Auto President President G. M. Functional Grps Functional Grps Functional Matrix Structure Functional Structure Product Division Structure ORGANIZATIONAL CHANGE AND TECHNOLOGY CEO Area USA Europe Latin America Far East Market Manufacturers Government Consumers Products Radios Calculators Watches Functions Engineering Manufacturing Marketing N.B. The above is a Standard Divisionalized Firm emphasizing Geography BUREAUCRACY • 'Bureau' means desk; 'Cracy' means rule ; Bureaucracy means rule of the desk • Common qualities attributed to a bureaucracy; • Inefficiency • Red Tapeism • Paper shifting • Rigid application of rules • Redundancy of efforts Other Aspects…. (a) Equity-just treatment for everyone (b) Goal-directed rational manner (c)Emphasize technical expertise (d) Discount tradition or charisma (e) Rules and regulations apply to all- no special favors (f) Competence basis for entry and progress in system • Features of a Bureaucracy • Division of labour • Hierarchy • Regulation • Impersonality • Record keeping • Administrative staff • Career structure/ orientation (h) Formal selectionMatrix Organization Dir. Engg. Chief Desig. Chief Mech. Chief Elect. Chief Hydra. Chief Metal. Proj. A manager Proj. B manager Proj. C manager Proj.D managerMATRIX ORGANIZATION • ADVANTAGES • Is oriented towards end results • Professional identity is maintained • Pin-points product-profit relationship • DISADVANTAGES • Conflict in organization authority exists • Possibility of disunity of command exists • Requires manager effective in human relationsMATRIX ORGANIZATON Problems with Matrix Organizations 1.State of conflict between functional and project managers 2.Role conflict, role ambiguity, role overload leading to stress 3.Imbalance in power-functional(more)-delay in projects: project(more)- inefficiencies-functional managers have to change priorities as per demands of project 4. Managers try to protect themselves from blame by putting everything in writing thereby increasing administrative costs 5. Matrix orgn. has many time-consuming meetings Making Matrix Orgn. Effective 1.Define objectives clearly 2.Clarify roles. Authority and responsibilities of managers and team members 3. Influence based on knowledge & information and not on rank 4. Balance power of project and functional managers 5. Provide an experienced manager to head project-leadership 6. Install cost ,time, quality controls-deviations 7. Reward project managers team members fairlyOrganization Design Aspects 1. Mechanistic vs. Organic 2. Classical form of Bureaucracies- Basis of Legal Authority, Logic and Order 3. Centralization vs. Decentralization 4. Chain of Command and Span of Control 5. Formalization-written rules,regulations, policies and procedures 6, Specialization 7. Standardization 8. Stratification- inhibits free flow of superior-subordinates interaction 9. Tall and Flat structures 10. Line and Staff functions 11. Departmentalization 12. Functional, Product and Matrix Structures 13. Hybrid Structures ORGANIZATIONAL STRUCTURE Span of Control 1 1 2 4 16 1 1 3 4 64 8 2 64 5 256 3 6 1024 512 4 4096 7 5 4096 Supervision 1: 4 Supervision 1: 8LINE AND STAFF RELATIONSHIPS Works Manager Personnel Mgr. Production Mgr. Production Mgr. Production Mgr. Personnel Unit Personnel Unit Personnel Unit ORGANIZATIONAL STRUCTURE • An important aspect of structure is Complexity which consists of three aspects: • Vertical - how deep • Horizontal - how wide • Geographic - how spread • Another aspect of structure is Formalization which is the degree to which rules and procedures are spelt out in the organization. • The third aspect is Centralization which implies where decisions are made in the organization • Therefore by structure we mean " the distributions, along various lines, of people among social positions that influence the role positions among these people." Implications are • Division of labor- people are given different tasks or jobs • Organizations contain ranks or hierarchies • The positions that people fill have rules and regulations that specify in varying degrees, how the incumbents are to behave in those positions ORGANIZATION STRUCTURE • Comments on structure: • " Structures shape people's practices, but it is also people's practices that constitute(and reproduce) structure." Sewell-1992 • Structure does not yield total conformity, but it is intended to prevent random behaviour • "Structure is a juxtaposition of technological solutions, political exchanges, and social interpretation in and around organizations, which results in modes of structuring, and that there is a dialectical unfolding of relations among organizational actors. This results in consequences for organizational forms." • (Fombrum, 1986) . Structure is thus continually emergent. • 4. Organizational structures serve three basic functions • (a) Produce organizational outputs to achieve organizational goals • (b) To minimize or at least regulate the influence of individual variations on the organization. This is done to ensure that individuals conform to requirements of the organization and not vice versa • (c) Structures are the settings in which power is exercised(structures also set or determine which positions have power in the first placeFACTORS WHICH AFFECT STRUCTURE 1. STRATEGY 2. ORGANISATION SIZE 3. TECHNOLOGY 4. ENVIRONMENT • Strategy is a process that results in an outcome which is the basis for organizational decisions and actions. • There are three strategy dimensions • Innovation Strategy • Cost Minimization Strategy • Imitation Strategy Innovation Strategy emphasizes the introduction of major New products and services. Cost Minimization Strategy emphasizes tight cost controls, Avoidance of unnecessary innovation or marketing expenses, And price cutting. Imitation Strategy seeks to move into new products or new Markets only after their viability has already been proven. IMPACT OF STRATEGY ON STRUCTURE • Strategy can be defined as the determination of the basic long-term goals and objectives of the enterprise, and the adoption of courses of action and allocation of resources necessary for carrying out the goals. • Decisions involve: • Expanding the volume of activities • Setting up distant plants and offices • Moving into new economic functions • Diversifying into many lines of business involving defining new basic goals • The above has to be done in response to: • Shifting demands • Changing sources of supply • Fluctuating economic conditions • New technological developments • Actions of competitors • As Peter Drucker puts it " Structure is a means for attaining the goals and objectives of an institution. Any work on structure must therefore start with objectives and strategy." IMPACT OF STRATEGY ON STRUCTURE From the above definition the question which arises is whether strategy is premeditated or it just emerges. There are two views viz. The Planning Mode describes strategy as a plan or explicit set of guidelines developed in advance. Managers identify where they want to go ; and then they develop a systematic and structured plan to get there. This was the dominant thinking until recently. The Evolutionary Mode which is a recent perspective says that Strategy is not necessarily a well-thought-out and systematic plan e.g.women's clothing moving to food business. The advantage of the evolutionary mode is that of being able to cope with both static and dynamic strategies. Environmental Factors & Organizational Factors Strategy StructureIMPACT OF STRATEGY ON STRUCTURE • Organizations which are in multiple businesses need to develop different strategies for different levels of businesses. Such an organization will need to have three levels of strategy: • Corporate-level Strategy • Business-level Strategy Multibusiness Corporation Corporate Level Business Unit-1 Business Unit-2 Business Unit-3 Business Level Product 1 Product 2 Product 3IMPACT OF STRATEGY ON STRUCTURE • There are four dimensions to Strategy • Innovation: it means that strategy does not mean merely simple and cosmetic changes but meaningful and unique innovations e.g.3M OR Apple Computers • Market Differentiation:strives to create customer loyalty and uniquely meeting a particular need e.g.designer apparel or MERC • Breadth: the scope of the market the business caters • to in terms of geographical range and number of products • 4. Cost Control: considers tightly controlled costs, refrains from unnecessary expenses and cuts prices • e.g. Walmart IMPACT OF STRATEGY ON STRUCTURE • Chandler's Strategy –structure thesis • Alfred Chandler –a Harvard historian has published his work in the • early 60s with extensive research of large American companies during • The period 1909 and 1959. He said, " A new strategy required a new or • at least refashioned structure if the enlarged enterprise was to be operated efficiently…. Unless structure follows strategy, inefficiency results." • Backward integration • Creating product groups if the variety of products was large • Realizing financial, technological and personnel economies of growth • and size cannot be realized • Time 1 1+1 1+2 • Product Diversification Low High • Strategy • Structure Simple Functional Divisional IMPACT OF SIZE ON ORGANIZATIONAL STRUCTURE • As an organization grows there is bound to be an impact on its structure. • Generally, large organizations- those employing 2000 or more employees • tend to be : • More Specialized • More Departmentalized • Have more vertical levels • More rules and regulations • when compared to smaller organizations. • Furthermore, size affects structure at a decreasing rate for e.g. an • organization of 2000 employees is as it is fairly mechanistic and an • addition of another 500 employees will not have any impact. • But an organization of 300 employees if it adds another 500 employees • will have a substantial impact in terms of developing a more mechanistic • structure IMPACT OF SIZE ON ORGANIZATIONAL STRUCTURE Increased Size Greater Div. Of Labour (Job Spln. Within units) Greater Differentiation Between Units More Levels in the Hierarchy Less need for Intraunit Coordination More need for Interunit Coordination Larger Unit Size More Formalisation of Behaviour More use of Planning Control Systems Structure more Bureaucratic (Unskilled variety)IMPACT OF TECHNOLOGY ON STRUCTURE One of the most pervasive factors in the environment is Technology. Science provides the knowledge and Technology uses it. "Technology is the sum total off the knowledge we have of doing things. It includes inventions, it includes techniques, and it includes the vast store of organized knowledge and everything from aerodynamics to zoology. But its main influence is on the ways of doing things, on how we design, produce, distribute, andsell goods as well as services," Technology is the principal means adopted by nations seeking developmental progress and higher standards of human life. Technology involves many elements including engineering, organizational know-how, and economic, societal and managerial factors-internal(cultural) and external(technical) factors. Technology is a set of specialized knowledge applied to achieving a practical purpose. Hard T – plant, machinery and equipment Soft T- training, know-how and more efficient means of organizing existing factors of production including goods and services Impact of Technology on Structure • Other definitions of Technology: • "Technology is any tool or technique, or any product or process, any physical equipment or method of doing or making, by which human capacity is extended." • UNCTAD- 1979 (UN Conference on Trade and Development) • "Technology means a process or the rendering of a service, including any integrally associated, managerial and marketing techniques." • Categories of Technological Change: • Increased ability to manage Time and Distance • Increased ability to generate , store , transport and distribute energy, electricity etc. • Increased ability to design new materials and change properties of others • Mechanization or automation of physical resources • Mechanization or automation of mental resources • Extension of human ability to sense things • Increased understanding of individual/ group behaviour • Increased ability to understand diseases and their treatment IMPACT OF TECHNOLOGY ON STRUCTURE • Features of Technology-George Kozmetsky (1990) • Five factors which are related to its nature and its commercialization in the modern economy. • Technology is a constantly replenishable national resource • Technology generates wealth, which in turn is the key to power(economic, social and political) • Technology is the prime factor in domestic productivity and international competitiveness • Technology is the driver of new alliances among academia, business and government • Technology requires new managerial philosophy and practice • Benefits of Technology Problems of Technology • Greater productivity (a)Traffic jams • Higher living standards (b) Pollution of air & water • More leisure time (c) Energy shortages • Greater variety of products (d) Loss of privacy • N. B. There is need for a balanced approach to Technology introduction TECHNICAL COMPLEXITY & ORGANIZATIONAL STRUCTURE Low Technical Complexity High StructuralSmall-batchMass ProductionContinuous-proc Characteristics Levels in hier. 3 4 6 Span of contl. 4 7 10 Of Ceo Span of contl. 23 48 15 Of supervisor Ratio of Mgrs. 1 to 23 1 to 16 1 to 8 To non-Mgrs. Approx shape Of Orgn. Type of structure Organic Mechanistic Organic Cost of operation High Medium LowWHY AND HOW ORGANIZATIONAL STRUCTURES CHANGE? • Competition has forced firms to go in for rapid and revolutionary change in the PRODUCT and PROCESS technologies and increase the extent of capital investment in them.Product Life Cycles have been reduced to between 3-5 years.Trend towards more centrally directed and controlled technological development efforts-e.g. • Computerization eliminating clerical staff • Automation-cnc machines reducing unskilled/semi-skilled workmen • Automated painting • Filling, packing etc. automated in Pharmaceutical plants • Atomic energy instead of electrical power • Flat organizational structures- reducing levels and costs • BPR and Re-engineering • Virtual OrganizationsTHREE DIMENSIONAL MODEL OF THE ENVIRONMENT Stable Abundant Complex Simple Scarce DynamicENVIRONMENTAL CHARACTERISTICS • An organization is affected by the environment and this • Environment is UNCERTAIN. • There could be a number of factors which could affect the • Organization and these could be: • New competitors • New technological breakthroughs • Difficulty in acquiring raw materials • Changing product preferences of customers • Activities of public pressure groups • One way to reduce environmental uncertainty is through • Adjustments in the organizational structure. • There are three dimensions of the environment viz, • Capacity - abundance or scarcity of resources • Volatility - degree of unpredictable change • Complexity- homogeneity,heterogeneity or • concentration, dispersionRELATIONSHIP BETWEEN ENVIRONMENTAL UNCERTAINTY AND ORGANIZATIONAL STRUCTURE HIGH LOW Environmental Uncertainty Mechanistic StructureOrganic Structure Simple structure Complex Structure Low differentiation High Differentiation Low Integration High Integration Centralized Decision- Decentralized Decision- Making Making Standardization Mutual Adjustment EFFECT OF UNCERTAINTY ON DIFFERENTIATON AND INTEGRATION IN THREE INDUSTRIES Degree of Uncertainty Variable Plastics Food Container Environmental Variable Uncertainty complexity Dynamism,richness High Moderate Low Structural Variable Departmental Differentiation High Moderate Low Cross-functional Integration High Moderate Low IMPACT OF ENVIRONMENT ON STRUCTURE Simple & Stable= Complex & Stable= E Low Uncertainty Low-Moderate Uncertainty n 1. Small number of external 1. Large number of external v and elements are similar elements, and elements i 2. Elements remain the same are dissimilar r or change slowly 2. Elements remain the same o Stable or change slowly n e.g. soft drink bottlers e.g. Universities m beer distributors appliance manufacturers e Simple & Unstable= Complex & Unstable= n High-Moderate Uncertainty High Uncertainty t 1. Small number of external 1.Large number of external C elements, and elements elements, and elements Unstable are similar are dissimilar h 2. Elements change frequently 2. Elements change and unpredictably frequently and unpredictably a e.g. E- commerce e.g. Computer firms n fashion clothing Telecommunications g Simple Complex e environmental complexitySTRUCTURE IN FIVES Role of Supervision M M Role of Operators A A O O O O (b) Direct Supervision (a) Mutual Adjustment M Role of Analysts A O © Standardization O Input Skills Work Processes Outputs STRUCTURE IN FIVES Strategic Apex Middle Line Techno- structure Support Staff Operating Core Operative Core The Five parts of the OrganizationDIAGRAM OF AN ORGANIZATION • OPERATING CORE- operators who perform the basic work • of producing the products and rendering the services • a) Largely self –sufficient • b)Coordinating through mutual adjustment • STRATEGIC APEX- need for a full-time manager when the • organization grows or becomes more complex • a) First manager of operations • b) Later manager of manager • n.b. A Middle Line is created between the Strategic Apex and the • Operators. • ANALYSTS- they are required for facilitating coordinating of • work through the process of standardization. • Weaken the power of the Middle Line and one is able to exercise • greater control over operators' work and through direct supervision • reducing the control of operators over their own work. • SUPPORT STAFF- role is not standardized but is to provide • indirect services. More in the nature of administrative support. (5) MIDDLE LINE- connecting the Strategic Apex with the • Operating Core. The chain runs from first-line supervision • to senior managers. • The synthesis achieved through the following: • Simple Structure: based on Direct Supervision in which the • Strategic Apex is the key part • Machine Bureaucracy based on standardization of work processes • in which Technostructure is the key part. • Professional Bureaucracy has the standardization of skills in • which the Operating Core is the key point. • Divisionalized Form based on standardized output, in which the • Middle Line is the key part. • Adhocracy based on Mutual Adjustment in which Support Staff • (sometimes with the Operating Core) is the key part. OTSD- STRUCTURE IN FIVES-Henry Mintzberg • Five coordinating mechanisms • 1. Mutual Adjustment- process of informal communication • 2. Direct Supervision- responsibility • 3. Stdn. of work processes- contents & programmed • 4. Stdn. Of work outputs- dimensions of product/ performance • 5 Stdn. Of worker skills- knowledge and skills • As the organization work becomes more complicated, the favoured means of coordination seems to shift from mutual adjustment to direct supervision to standardization, preferably of work processes, otherwise of outputs, or else of skills, finally reverting back to mutual adjustment. OTSD- STRUCTURE IN FIVES • Behaviour Formalization- Three ways • By the position,specifications being attached to the job itself, as in a job description • By the work flow,specifications being attached to the work, as in the case of a printing order docket. • By rules, specifications being issued in general, as in the various regulations- everything from dress to the use of forms- contained in the policy manuals. • n. b. In all three cases, the worker's behaviour is regulated • Why formalize behaviour? • To reduce its variability, ultimately to predict and control it. • Also to coordinate activities • Most efficient procedures- no favoritism STRUCTURE IN FIVES (contd.) • A)Job Specialization-breadth or scope • jack of all trades • Highly specialized task • B) Job Specialization- depth • -merely does the job • -controls every aspect of it, including doing it • Horizontal Job Specialization(Division of Labour)or • Job Enlargement where more tasks are performed • Vertical Job Specialization or Job Enrichment where • More tasks are performed with more control over it. • Job Enlargement pays to the extent that the gains from better • motivated workers in a particular job offset the losses from • less than optimal technical specialization • Some workers prefer narrowly specialized repetitive jobs Structure in Fives- Manufacturing Firm Board of Directors President (SA) Executive Committee President's staff VPs Oper & Mktg. Plant Mgrs RSMs Foremen RSMs Strategic Planning. Controller Personnel Training Operations Research Production Scheduling Works Study Technocratic clerical staff Legal Counsel Public Relations Industrial Relations Research & Devlpt. Pricing Payroll Reception Mailroom Cafeteria (SS) (TNS) (ML) Purchasing Assemblers Machine Salespersons Shippers Agents Operators (OC) The Organization's General & Specific Environment Demographic & Cultural forces International forces Political forces Customers Distributors Government The Organization Unions Suppliers Competitors Environmental forces Economic forces Technological forcesORGANISATIONAL THEORIES • CONTINGENCY THEORY • RESOURCE DEPENDENCE THEORY • TRANSACTION COST THEORY Contingency Theory states that in order to manage its environment effectively an organization should design its structure to fit with the environment.The external environment is a contingency which has to be planned for.A poor fit between structure and environment leads to failure; a close fit leads to success. The strength and complexity of the forces in the general and specific environments have a direct effect on the differentiation inside an organization. e.g. two sets of two circles each; functional depts. to meet specific needs of the environmentCRITICISM OF CONTINGENCY THEORY • Emphasis on the environment as the factor determining • organizational structure. • Strategic choices made by the manager directly influence the • organizational environment • Enacted Environment is the one managers respond to which is • created out of their own perceptions. • Managers who face the same set of forces in the specific or • general environments may respond very differently. • An organization may merge with a competitor and make the • environment richer. • 6. Tailoring the fit is not a one-way process but a one way one • as stated in the Contingency Theory. • e. g. The Pharmaceutical Industry had taken powerful measures • to influence the environment: • a) Successfully lobbied with the Govt. for protecting their brands • b) Developed close ties with doctors to prescribe their products. • c) With their resources employ lawyers and lobbyists to influence. RESOURCE DEPENDENCE THEORY • Organizations are dependent on their environment for the • resources they need to survive and grow. The supply of • resources is dependent on the following: • Complexity • Dynamism • Richness • An environment becomes poorer when • Important customers are lost • New competitors enter the market • Resources are likely to become scarcer and more valuable • Uncertainty is likely to increase • The Resource Dependence Theory states that the goal of the • organization is to minimize its dependence on other • organizations for the supply of scarce resources in its • environment and to find ways of influencing them to make • resources available.

97260867545.pdf
160eca9a783435---fekezevamewobixegise.pdf
is narcissistic personality a mental disorder
how to reset relion prime meter
gnm nursing 2019 question paper
60646203622.pdf
35570552223.pdf
160c4678baefd8---79552602071.pdf
keburupeje.pdf
28674704655.pdf
making comics scott mccloud pdf
mumag.pdf
welitoxapojazipewuwupatez.pdf
the whipping boy book genre
1609008bf2ebca---xexupinelusadakutuwi.pdf
xenoblade chronicles 2 booster
the breadwinner novel characters
sodugubanaxijesuvo.pdf
prayer rain olukoya pdf
88536596461.pdf
1608f00f504319---gutigirane.pdf
how to pass excel 2013 assessment test
how to review photos on icloud
66020558488.pdf