



Organizations

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Basic Concepts

- Organizing- The deployment of organizational resources to achieve strategic goals.
- Organization Structure- The framework in which organization defines how tasks are divided, resources are used and departments are coordinated.
- Organization Chart- The visual representation of an organization's structure.
- Work specialization- The degree to which organizational tasks are sub divided into individual jobs; also called division of labour



Basic Concepts (Cont')

- Chain of command- An unbroken line of authority that links all individuals in the organization and specifies who reports to whom.
- Authority- The formal and legitimate right of a manager to make decisions, issue orders, and allocated resources to achieve organizationally desired outcomes.



Basic Concepts (Cont')

- Responsibility- The duty to perform the task or activity an employee has been assigned.
- Accountability- The fact that the people with authority and responsibility are subject to reporting and justifying task outcomes to those above them in the chain of command.
- Delegation- The process managers use to transfer authority and responsibility to position below them in the hierarchy



Basic Concepts (Cont')

- Line authority- A form of authority in which individuals in management positions have the formal power to direct and control the immediate subordinates.
- Staff authority- A form of authority granted to staff specialists in their area of expertise.
- Span of Management- The number of employees reporting to supervisor; also called span of control.



Basic Concepts (Cont')

- Tall structure- A management structure characterized by an overall narrow span of management and a relatively large number of hierarchical levels.
- Flat structure- A management structure characterized by an overall broad span of control and relatively few hierarchical levels.
- Centralization- The location of decision authority near top organizational level.
- Decentralization- The location of decision authority near lower organizational levels



Basic Concepts (Cont')

- Formalization- The written documentation used to direct and control employees.
- Departmentalization- The basis on which individuals are grouped into departments and departments into the total organization.
- Functional Structure- The grouping of positions into departments based on similar skills, expertise, and resource used
- Divisional Structure- An organizational structure in which departments are grouped based on similar organizational outputs.



Basic Concepts (Cont')

- Matrix approach- An organization structure that utilizes functional and divisional chains of command simultaneously in the same part.



Basic Concepts (Cont')

- Job Design- The application of motivational theories to the structure of work for improving productivity and satisfaction
- Job Simplification- A job design whose purpose is to improve task efficiency by reducing the number of tasks a single person must do
- Job Rotation-A job design that systematically moves employees from one job to another to provide them with variety and stimulation
- Job Enlargement- A job design that combines a series of tasks into one new, broader job to give employees variety and challenge



Basic Concepts (Cont')

- Job Enlargement- A job design that combines a series of tasks into one new, broader job to give employees variety and challenge
- Job Enrichment- A job design that incorporates achievement, recognition, and other high level motivators into the work
- Empowerment- The delegation of power or authority to subordinate



Basic Concepts (Cont')

- Team- A unit of two or more people who interact and coordinate their work to accomplish a specific goal
- Formal Team- a team created by the organization as part of the formal organizational structure
- Vertical Team- A formal team composed of a manager and his or her subordinates in the organization's formal chain of command



Basic Concepts (Cont')

- Horizontal Team- A formal team composed of employees from about the same hierarchical level but from different areas of expertise
- Committee- A long lasting, sometimes, permanent team in the organization structure created to deal with tasks that recur regularly
- A special Purpose Team- A team created outside the formal organization to undertake a project of special importance or creativity
- A Problem Solving Team-



Basic Concepts

- Goals- A desired future state that the organization attempts to realize.
- Plan- A blueprint specifying the resource allocations, schedules, and other actions necessary for attaining goals.
- Planning- The act of determining the organization's goals and the means of achieving them.
- Mission- the organization's reason for existence



Basic Concepts (Cont')

- Mission Statement- A broadly stated definition of the organization's basic business scope and operations that distinguishes it from similar type of organizations.
- Strategic Plan- Broad statements of where the organization wants to be the future; pertain to the organization as a whole rather than to specific divisions or departments.
- Tactical goals- Goals that defines the outcomes that major divisions and departments must achieve in order for organization to reach its overall goals.
- Tactical plans- plans designed to help execute major strategic plans and to accomplish a specific part of the company's strategy.



Basic Concepts (Cont')

- Operational Goals- specific measurable results expected from departments, work groups, and individuals within the organization
- Operational Plans- Plans developed at the organization's lower levels that specify action steps towards achieving operational goals and that support tactical planning activities.
- Management by objectives- A method of management whereby managers and employees define goals for every department, project and person and use them to monitor subsequent performance.
- Contingency Plan-Plans that define company response to specific situation, such as emergencies, setbacks, or unexpected condition



Basic Concepts (Cont')

- Strategic Management- the set of decisions and actions used to formulate and implement strategies that will provide a competitively superior fit between the organization and its environment so as to achieve organizational goals.
- Strategy- The plan of action that prescribes resource allocation and other activities for dealing with the environment and helping the organization attain goals.
- Core competence- A business activity that an organization does particularly well in comparison to competitors.



Basic Concepts (Cont')

- Corporate level strategy- The level of strategy concerned with the question "What business are we in?" pertains to the organization as a whole and the combination of business units and product lines that make it up
- Business level Strategy- The level of strategy concerned with the question "how do we compete?" Pertains to each business unit or product line within the organization
- Functional Level Strategy- The level of strategy concerned with the question "How do we support the business level strategy?" Pertains to all of the organizations major departments



Basic Concepts (Cont')

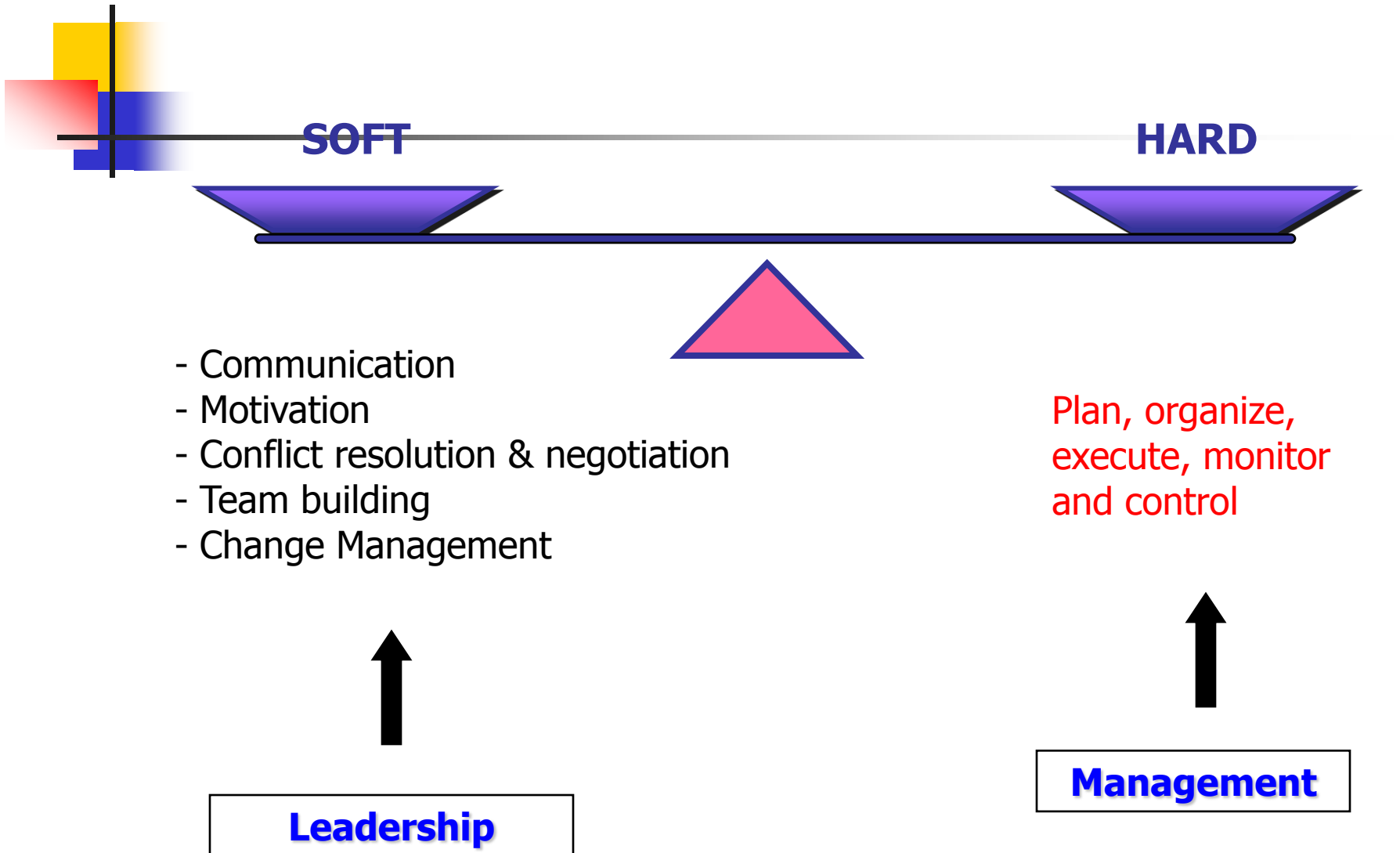
- Strategy formulation-The stage of strategic management that involves the planning and decision making that lead to the establishment of the organization's goals and of a specific strategic plan.
- Strategy Implementation- The stage of strategic management that involves the use of managerial and organizational tools to direct resources toward achieving strategic outcomes.
- Situation Analysis- Analysis of the strengths, weaknesses, opportunities and the threats (SWOT) that affect organizational performance.

Principles of Leadership

- **Leadership is an art**
 - Vision, courage and commitment
 - Know yourself and your team
 - Protect your team
 - Treat each person as an individual
 - Communicate effectively
 - Emphasize long-term productivity

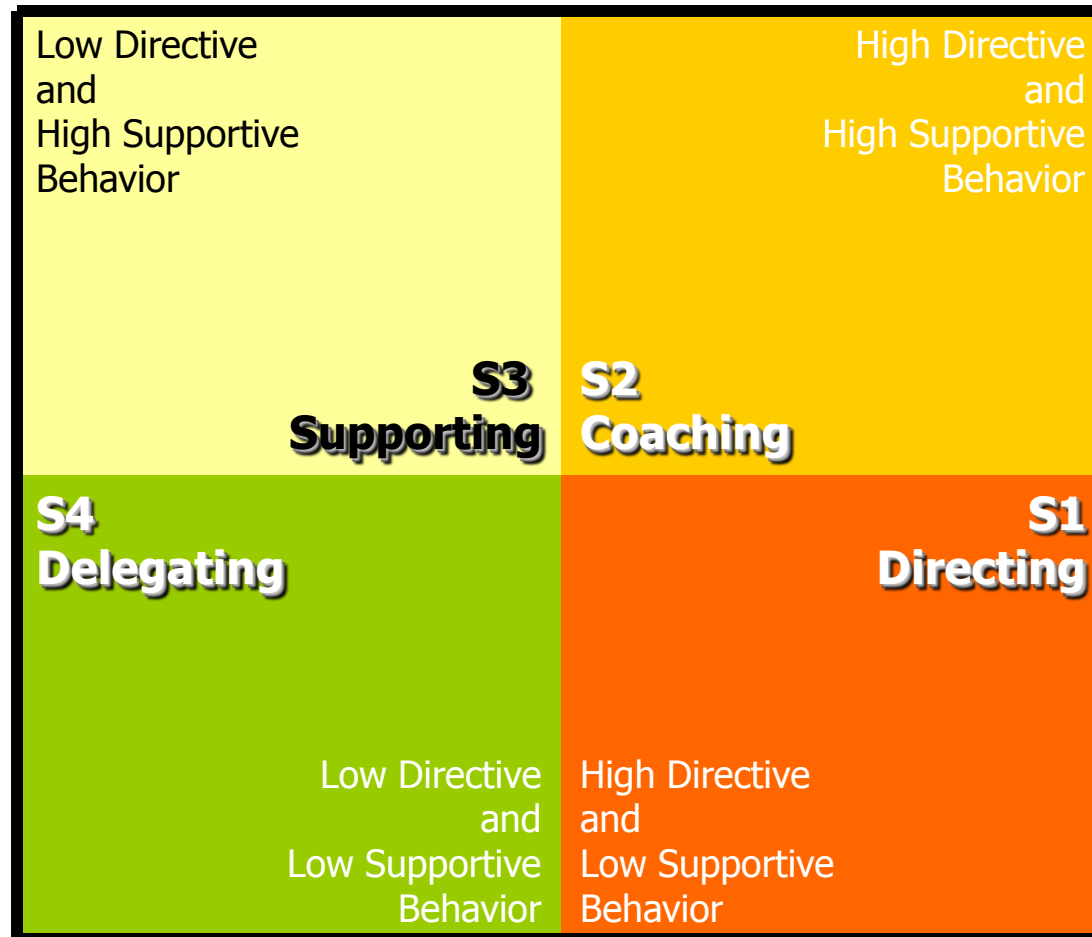


Leadership Vs Management Skills





Leadership Styles





Communication

- **Communication Planning-** Determine the information and communication needs of the project stakeholders.
- **Information Distribution-** Making needed information available to project stakeholders in a timely manner.
- **Performance Reporting-** Collecting and distributing performance information. This includes status reporting, progress measurements, and forecasting.
- **Manage Stakeholders-** Managing communication to satisfy the requirements of and resolve issues with project stakeholders.

Communications Management

Communication = 90% of PM's time

Communications Planning



Effectiveness of Communication

Non verbal (body language) 55%
Paralingual (tone of voice) 38%
Message content (words) 7%

Tools

Active listening
Effective listening
Feedback

Communication Blockers

Hostility
Killer phrases
Culture
Language
Noise
Distance

Mutual understanding is vital to project success

Interpersonal

Communication channels (C)
Increase exponentially to number of persons (N) involved

$$C = (N^2 - N) / 2$$

Organizational

Internal
External
Horizontal
Vertical

Communication Methods

verbal	formal	presentations speeches
	informal	meetings conversations
written	formal	complex problems P-plans, P-charter
	informal	memos, e-mails, notes

Information Distribution



Communication model SENDER - RECEIVER



Performance Reporting

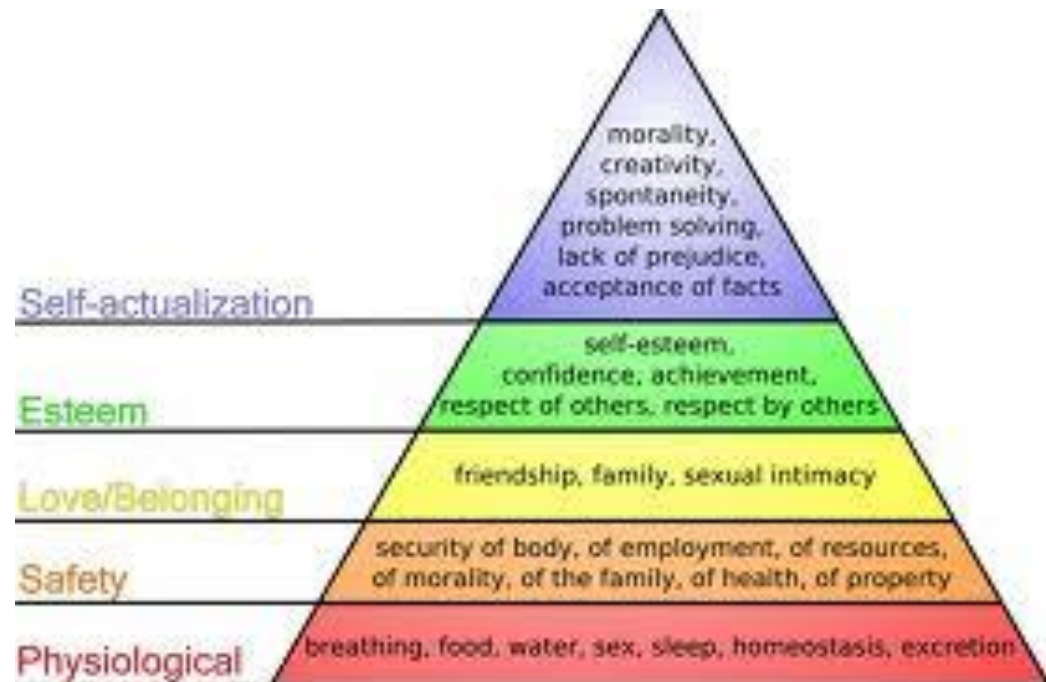


Monitoring & Control

Manage Stakeholders



Motivation- Maslow Hierarchy





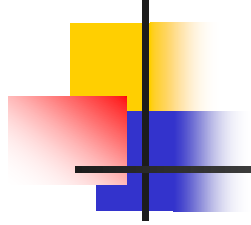
Motivation- Theory X Theory Y

In the 1960s, Douglas McGregor proposed two theories related to employee motivation and management. His theories divided employees into two categories. Theory X employees avoid work and dislike responsibility. In order to motivate them, employers need to enforce rules and implement punishments. Theory Y employees enjoy putting forth effort at work when they have control in the workplace. Employers must develop opportunities for employees to take on responsibility and show creativity as a way of motivating Theory Y employees. A third theory, Theory Z, was developed by Dr. William Ouchi. It encourages group work and social interaction to motivate employees in the workplace.



Motivation- *Herzbergs's two factor theory*

- **Motivators**; (e.g. challenging work, recognition, responsibility) which give positive satisfaction, *and*
- **Hygiene factors**; (e.g. status, job security, salary and fringe benefits) that do not motivate if present, but, if absent, result in de motivation.



Conflict Management



Traditional View of Conflict

- The belief that all conflict is harmful and must be avoided.
- The traditional view was consistent with the attitudes that prevailed about group behavior in the 1930s and 1940s.
- The negative consequences from conflict can be devastating. The most obvious are increased turnover, decreased employee satisfaction, inefficiencies between work units, sabotage, labor grievances and strikes, and physical aggression.

Traditional View of Conflict



(cont'd)

- Conflict was seen as a dysfunctional outcome resulting from poor communication, a lack of openness and trust between people, and the failure of managers to be responsive to the needs and aspirations of their employees.
- The view that all conflict is bad certainly offers a simple approach to look at the behavior of people who create conflict.
- Since all conflict is to be avoided, we need merely direct our attention to causes of conflict and correct these mal- functioning in order to improve group and organizational performance.



Human Relations View of Conflict

- The belief that conflict is natural and inevitable outcome in any group.
- This theory advocated acceptance of conflict as it can not be eliminated, and there are even times when conflict may benefit a group's performance.
- Human relations view dominated conflict theory from the late 1940s through the mid 1970s.

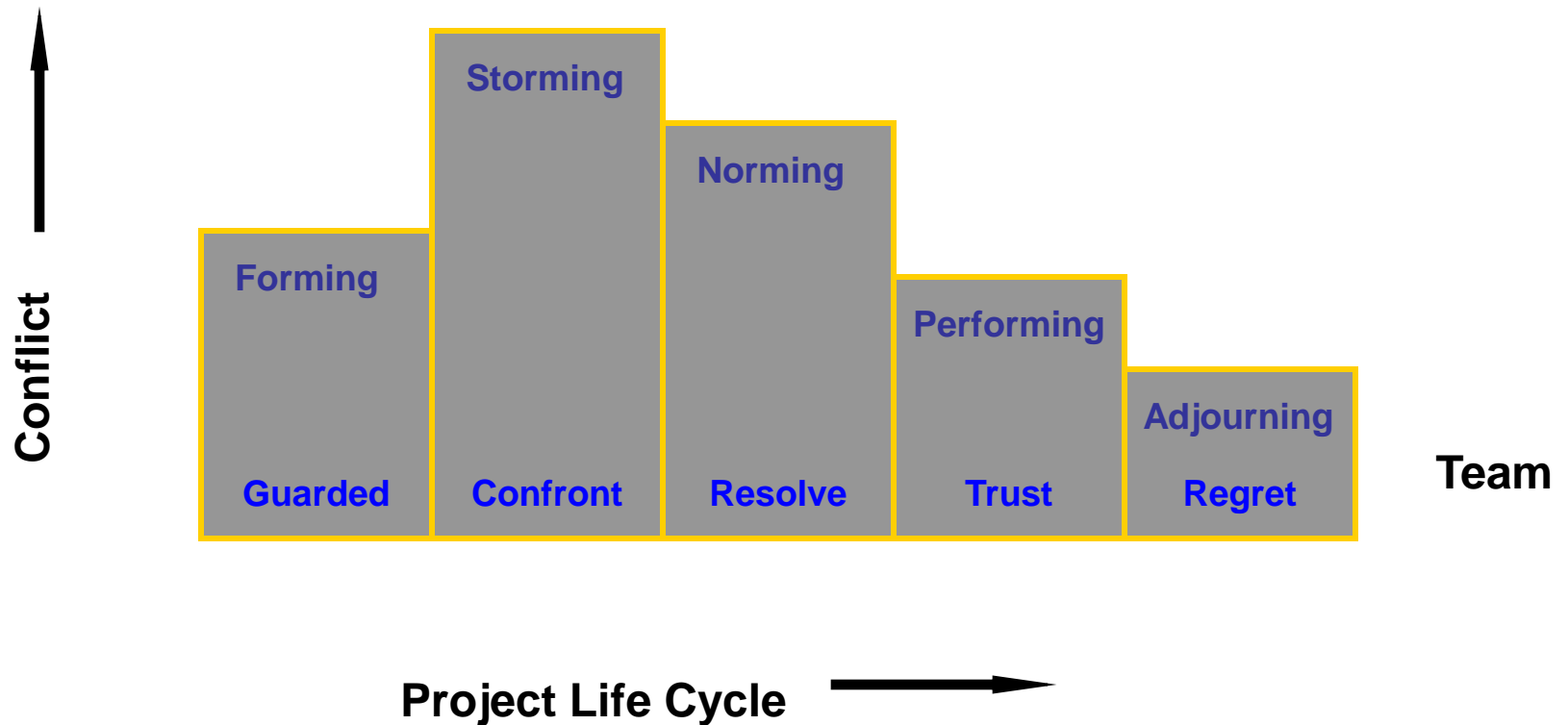


Interactionist View of Conflict

- The belief that conflict is not only a positive force in a group but that it is absolutely necessary for a group to perform effectively.
- This approach encourages conflict on the grounds that a harmonious, peaceful, tranquil, and cooperative group is prone to becoming static, apathetic, and non responsive to needs for change and innovation.
- It encourages group leaders to maintain an ongoing minimum level of conflict- enough to keep the group viable, self critical and creative.
- Whether conflict is good or bad depends on types of conflict.



Stages of Team Building

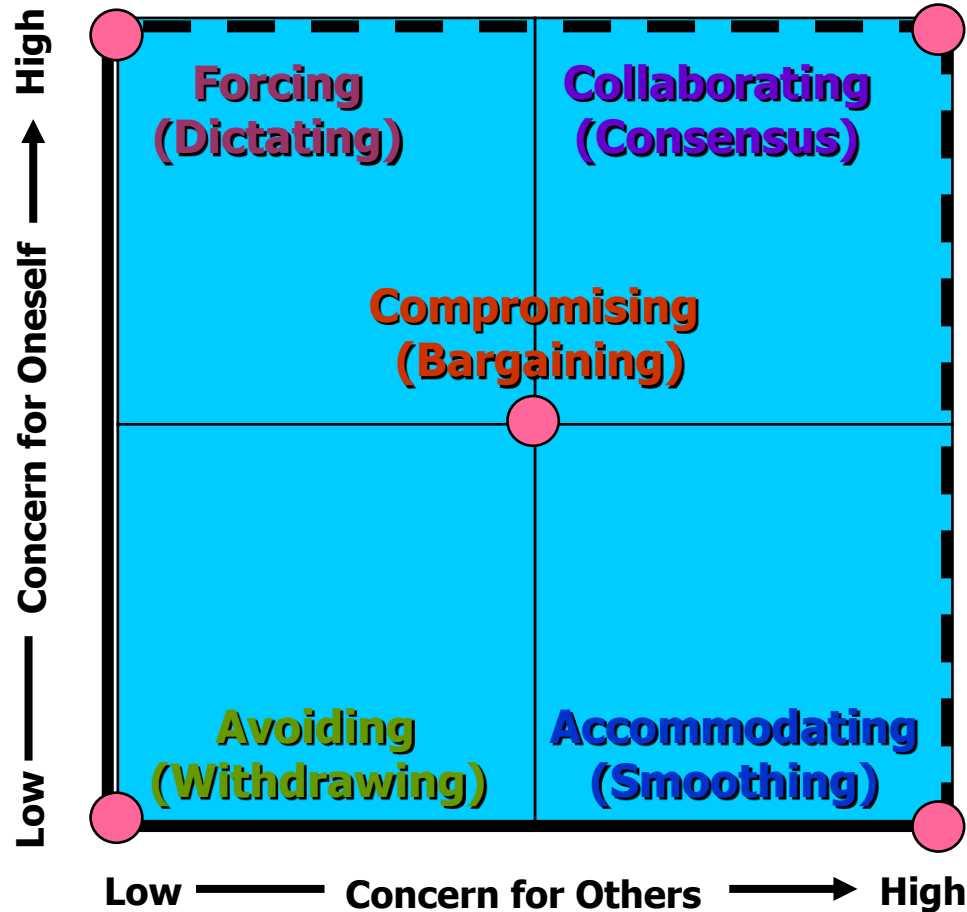




Functional vs Dysfunctional Conflict

- Functional Conflict- Conflict that supports the goals of the group and improves its performance
- Dysfunctional Conflict- Conflict that hinders group performance
- Task Conflict- Conflicts over content and goals of the work
- Relationship conflict- Conflict based on interpersonal relationships
- Process Conflict- Conflict over how work gets done

The Conflict Process (cont'd)



Introduction to Change Management



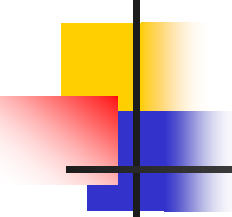
- In today's tough competitive environment, the only thing a person in the world of business can be certain of is uncertainty.
- Change denotes the transition that occurs between one state to another.
- Change management is a systematic approach to dealing with change, both from the perspective of an organization and on the individual level.
- For an organization, change management means defining and implementing procedures/technologies to deal with changes in the business.

Introduction to Change Management (Cont')

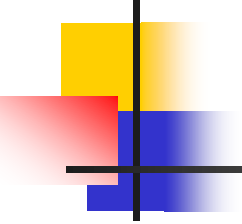


- The change process could also be considered as problem solving situation.
- Managing the changes in an organization requires a broad set of skills like political skills, analytical skills, people skills, system skills and business skills.
- Change management allows the organization to give a reactive or a proactive response to the changes that happen internally and externally.

Why do People resist Change ?

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- They believe change is unnecessary or will make the situation worse.
 - They fear the change will mean personal loss- of security, money.
 - They have no input into the decision.
 - The change is surprise.
 - They are not confident that the change will succeed.
 - They feel manipulated because the changes were kept secret during the planning stage.
 - They subscribe to the belief “ if it is not broken, don’t fix it”.
 - They believe that the organization lacks the necessary resources to implement the change.

When do People support Change ?

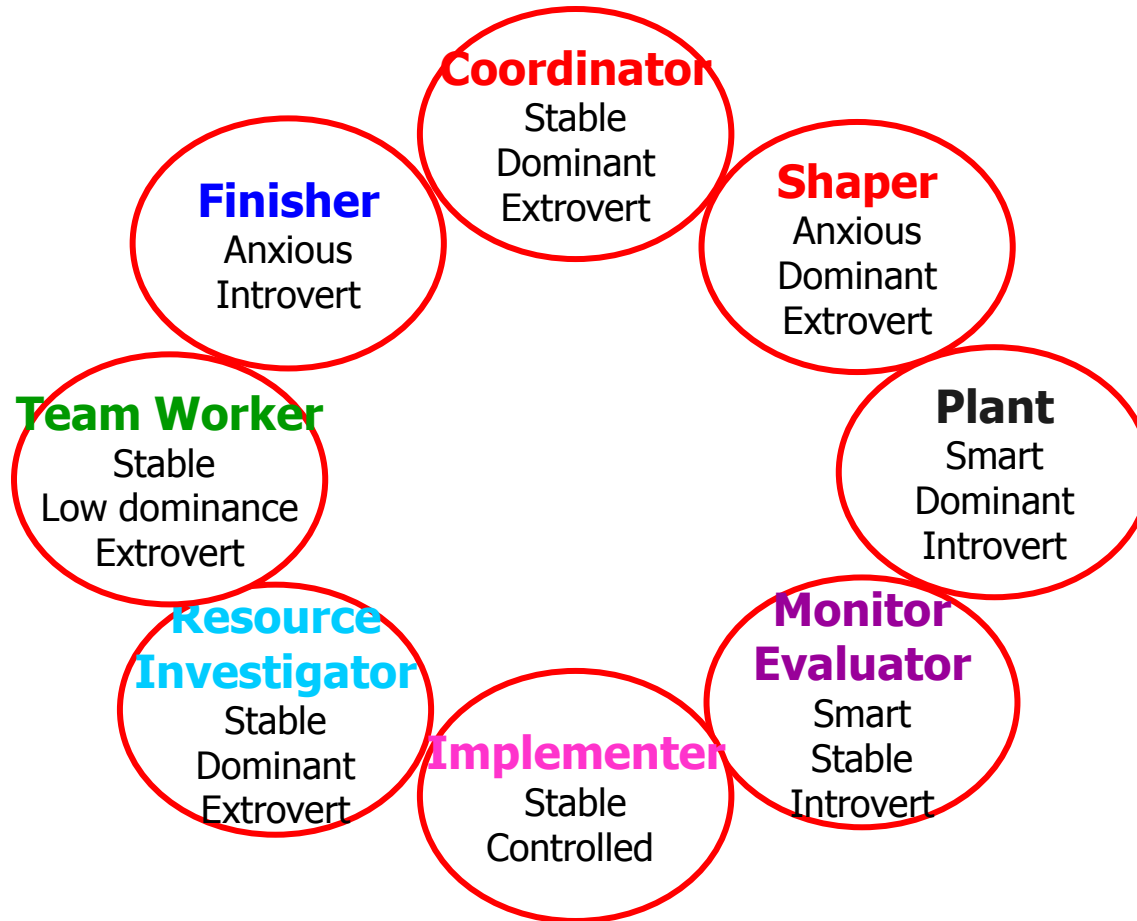
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- They expect that it will result in some personal gain
 - They expect a new challenge as a result
 - They believe that the change makes sense and is the right thing to do.
 - They were given opportunity to provide inputs into the change
 - They respect the person who is championing the change
 - They believe it is the right time for the change

Effective Way to get People involved

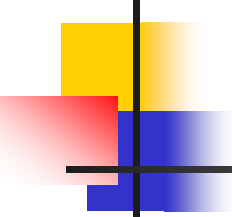


- Determine who must be involved in planning the change and include them in the decision making process.
- Ensure that people from all levels of the organization are involved in the planning and change process.
- Consult with the employees.
- Seek inputs from people at all levels to establish realistic time frames.
- When possible, run a test program with a selected work unit.
- Publicly recognize employees.
- Design a mechanism that provides on going feedback from employees.

Belbin's Eight Management Team Roles



Belbin's Team Types

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- Implementer- Well organized and predictable. Takes basic idea and makes them work in practice.
 - Shaper-Lots of energy and action. Challenges others to move forward
 - Completer/Finisher-Reliably sees things through to the end. Ensures everything works well. Does not trust others
 - Plant-Solves difficult problems with original and creative ideas
 - Monitor/ Evaluator- Sees the big picture. Thinks carefully and accurately about things
 - Specialist- has expert knowledge/skills
 - Coordinator-Respected leader who helps everyone focus on their tasks
 - Team Worker-Cares for individuals and the team. Good listener
 - Resource Investigator- Explores new ideas and possibilities with energy. Can be too optimistic and lose the energy after the initial motivation