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ENT306 MEASURING ORGANIZATIONAL SUCCESS SUMMARY

"An Organization is a system of consciously coordinated activities or efforts of two or more persons" according to Chester Barnard, Management Consultant

WHAT IS AN ORGANISATION?

The concept Organization has been perceived from different perspective. It is generally believed that every individual belong to one form of Organization or another. Different authorities have tried to give different but related definitions of the word "Organization".

The common definitions of an organization are given below:

(a) An Organization is a planned unit deliberately structured for the purpose of achieving specific goals.

(b) An Organization is an assemblage of interacting human beings with a central co-ordination unit (Marsh and Simeon).

(c) Organization is a system of roles graded by authority (Wright Mills).

(d) An Organization is a social unit or human grouping deliberately constructed and reconstructed to seek specific goals (Parson and Harcourt).

(e) An Organization is a collection of those activities directed at organizing.

The following are the characteristics of an organisation:

1. They are set up to pursue objectives (co-operative mission).
2. They have individuals and groups who interact.
3. There are jobs and tasks to be performed.
4. It is a system of co-operative activities.
5. It has an input-output process.

THE TYPES OF ORGANISATION ARE:

(a) Formal Organisations

(b) Informal Organisations

FORMAL ORGANISATION

Formal organization refers to the organization structure which is designed and prescribed by the management of an enterprise. It represents the structure of duties, responsibilities and working relationships formally prescribed in the organization.

A formal organization is a group that restricts membership and makes use of officially designated positions and roles, formal rules and regulations, and a bureaucratic structure.

Formal organization is a fixed regulation of in-plant operational sequence and structures. It is a firmly given order, which is usually also in writing fixed. The formal organization is provided explicitly, in the form of rules and permits mostly only small interpretation clearance.

The formal organization is basically goal-oriented entity that exist to accurate the efforts of individuals and it refers to the structure of jobs and positions with clearly defined functions, responsibilities and authorities. In addition, a formal organization is a group that restricts membership and makes use of officially designated positions and roles, formal rules and regulations, and a bureaucratic structure.

The common features of a formal Organisation are:

1. Well defined rules and regulation: The first & foremost characteristic of a formal organization is a well defined set of rules & regulations. These will be strictly followed to carry out the activities of the company to achieve goals.

2. Arbitrary structure: A formal organization always contains an arbitrary structure that allows all the departments of the organization work in a coordinated way to achieve the target.

3. Determined objectives and policies: A formal organization consists of specific objectives & policies. All the activities in the company follow around these policies & to achieve the objectives.

4. Limitation on the activities of the individual: Every individual in a formal individual is assigned with specific duties & responsibilities. This is true regulation for every personnel.

5. Strict observance of the principle of co-ordination: The coordination between different departments in an organization is strictly maintained to achieve the most efficient result.

6. Messages are communicated through vertical chain: Normally in a formal organization the vertical communication chain is followed so that the chain of command & its unity is maintained.

7. Status symbol: A formal organization is a separate social entity. The activities have a separate entity than the individuals performing those activities.

Guidelines for Formal Organization

The following guidelines should be followed for the success of a formal organization

1. It must have specific rules & policies
2. It must have strict regulations regarding the way of achieving the organizational goals.
3. It must have intra-organizational discipline.
4. It must have cohesiveness among all the individual groups.
5. The organizational entity must be official.
6. The authorities within the organization should be well delegated.
7. Every authority should have specific responsibilities.
8. There should be well regulated activities for improving the organization structure.
9. There should be well regulated activities for human resource development.
10. Presence of co-ordination between all the departments of an organization.

INFORMAL ORGANISATION

The informal organization is the interlocking social structure that governs how people work together in practice. It is the aggregate of behaviours, interactions, norms, personal and professional connections through which work gets done and relationships are built among people who share a common organizational affiliation or cluster of affiliations.

Informal organization is also referred to as a spontaneous Organization in the sense that it is not as a result of a conscious plan. In many businesses, large or small, there is usually a tendency for an informal Organization to grow up and operate concurrently

The informal organization evolves organically and spontaneously in response to changes in the work environment, the flux of people

through its porous boundaries, and the complex social dynamics of its members.

The nature of the informal organization becomes more distinct when its key characteristics are juxtaposed with those of the formal organization:

1) Evolving constantly
2) Grass roots
3) Dynamic and responsive
4) Excellent at motivation
5) Requires insider knowledge to be seen
6) Treats people as individuals
7) Flat and fluid
8) Trust and reciprocity
9) Difficult to pin down
10) Essential for situations that change quickly or are not yet fully understood
11) Can lead to meritocracy
12) Employee reactions in certain situations may become unpredictable
13) Planning becomes difficult
14) Can lead to short-circuiting in the management decision chain.

The Benefits of Informal Organization

1) Better Total System: Informal Organizations blend with formal systems to make an effective total system. Some requirements can be met better by informal relations, which can be flexible and spontaneous.

2) Lighter workload for management: Informal Organizations lighten the workload on management. When managers know that the Informal

Organization is working with them, they feel less compelled to check on the workers to be sure everything is shipshape.

3) Work group satisfaction: Informal Organizations give satisfaction and stability to work groups. Workers feel a sense of belonging and security, so satisfaction is increased and turnover reduced.

4) A safety valve for emotions: Informal Organization is a safety valve for employee frustrations and other emotional problem. Employees may relieve emotional pressures by discussing them with someone else with in Informal group.

5) Cohesiveness: Cohesiveness is indicated by how strongly the employees stick together, rely on each other, and desire to remain members of the group.

6) Fill up gaps: If a manager is weak in planning, an employee may informally help with planning. In this way planning is accomplished in spite of the manager's weakness. Thus Informal Organizations act to fill in gaps in a manager's abilities.

7) Channel of employee communication: Informal Organization provides the means for people to keep in touch, to learn more about their work, and to understand what is happening in their environment. Thus Informal Organization can be a useful channel of employee communication.

8) To plan and act more carefully: The presence of Informal Organizations encourages managers to plan and act more carefully than they would otherwise. Because they know Informal groups can undermine even a worthwhile project

9) Encourage Cooperation: Informal Group support of a manager leads to better cooperation and productivity. It helps get the work done. 10) Understanding and Dealing with the Environmental Crisis

11) Encourage improved management practice: Perhaps a subtle benefit of informal groups is that they encourage managers to prepare, plan, organize, and control in a more professional fashion. Managers who comprehend the power of the informal organization recognize that it is a "check and balance" on their use of authority.

THE PRINCIPLES OF ORGANISATION

What are management principles?

Management principles are the totality of activities employ to guide operations of the act of management. These activities include plan, organize, and control the operations of the basic elements of (people), materials, machines, methods, money and markets, providing direction and coordination, and giving leadership to human efforts, so as to achieve the sought objectives of the enterprise (Fayol,1916).

The management principles include the following:

I. Division of work: Job description and job specification paved way for division of work or labour. When work role are well specified and expert(s) is allowed to handle a part and not whole, then we say the principle of division of work is adherent to. In addition, division of work, which is also known as division of labour, is the breaking down of a specific job role so as to have different tasks that make up the whole.

II. Authority and Responsibility: Authority is the right to give orders and obtain obedience based on the position been occupied by a person while responsibility a corollary of authority, expected from a person. Authority flows from top to bottom while responsibility flows from bottom to top. When you exercise some powers based on positions you occupied, that is authority. Effective management of both human and material resources is based on the capacity of top manager or supervisor to exercise all the powers vested on the position he/she occupies.

III. Discipline: Employees must be trained to obey and respect orders that govern the organization. These orders are mainly found in the organization's human resources manual. Good discipline is as a result of effective leadership.

IV. Unity of command: This principle states that, every employee should receive orders from only one supervisor or manager.

V. Unity of direction: Each group of organizational activities that have the same objective should be directed by one manager using one plan for achievement of one common goal.

VI. Subordination of Individual interest to organisational goal: The interests of any one employee or group of employees should not take precedence over the interests of the organization as a whole.

This means that the organization's goal comes first before individual personal goal(s).

VII. Remuneration: All employees should be paid a salary or wage equal to their contribution or effort to the attainment of the organisational objectives. In other words, a fair day's work for a fair day's pay.

VIII. Centralization: Centralization refers to the degree to which subordinates are involved in decision making.

IX. Scalar chain: The line of authority from top management to line staff represents the scalar chain. Communications should follow along this chain. Top management officers should be responsible for smooth management information flows which are most useful for organisational development.

X. Order: This principle is concerned with systematic arrangement of men, machine, material etc. There should be a specific place for every employee in an organization. Where there is no order, anarchy is bound to happen.

XI. Equity: Managers should be kind and fair to their subordinates. This will make employees to be motivated and encouraged to perform better. When employees are equitably rewarded, production and profitability tends to increase concomitantly.

XII. Stability of tenure of personnel: High employee turnover is inefficient. Management should provide orderly personnel planning and ensure that replacements are available to fill vacancies.

XIII. Initiative: Employees who exhibit high level of initiative, creativity and inventiveness should be allowed to exercise it. Employees who are allowed to originate and carry out plans will exert high levels of effort.

XIV. Esprit de corps: Promoting team spirit will build harmony and unity within the organization. Employees from different departments should work together in unison and harmony in order to achieve efficiency and effectiveness which will in turns brings increase in performance, productivity and profitability.

The Distinction between Formal and Informal Organization

1) In Meaning: A Formal Organization has its own rules and regulation. These rules must be followed by the members (employees and managers). A formal organization has a system of coordination. It also has a system of authority. It has a clear superior-subordinate relationship. In a formal organization, the objectives are specific and well-defined. All the members are given specific duties and responsibilities. An informal organization does not have its own rules and regulation. It has no system of co-ordination and authority.

2) Formed by Whom: A formal organization is formed by the top level management. An informal organization is formed by social forces within the formal organization.

3) Rules and Regulations: The members of a formal organization have to follow certain rules and regulations. These rules are available in writing (documented). They are made by a formal authority (superiors).

4) Duties and Responsibilities: In a formal organization, the duties, responsibilities, authority and accountability of each member is welldefined. In an informal organization, there are no fixed duties, responsibilities, authority, accountability, etc. for the members.

5) Objectives or Goals: In a formal organization, the objectives or goals are specific and well-defined. The main objectives of a formal organization are productivity, growth, and expansion. In an informal organization, the objectives are not specific and well-defined. The main objectives of an informal organization are friendship, security, common interest, individual and group satisfaction, etc.

6) Stability: A formal organization is stable. An informal organization is not stable.

7) Channels of Communication: A formal organization uses formal channels of communication. An informal organization uses informal channels of communication (i.e. grapevine).

8) Organization Chart: A formal organization is shown on the organization chart. An informal organization is not shown on the organization chart.

9) Superior-Subordinate Relationship: In a formal organization, there exists a superior subordinate relationship. In an informal organization, there is no such superior-subordinate relationship.

10) Benefits for Members: The members of the formal organization get financial benefits and perks like wages or salaries, bonus, travelling allowances, health insurance, etc. The members of informal organization get social and personal benefits like friend circle, community, groups, etc.

UNIT 2: THEORY OF ORGANISATION

1.0 INTRODUCTION

Accounts of the growth of organizational theory usually start with Taylor and Weber, but, as Scott (1987) remarks, organizations were present in the old civilizations.

NEO-CLASSICAL THEORY OF ORGANISATION

The Classical or Traditional Theory of Organization relates organizing to a formal relationship between jobs to be done and the positions. It is hinged on the assumption that work is a systematic and rational process that can be accomplished in an impressive and logical manner. Neo-classical Theory is commonly associated with the human relations movement. This theory does not take into consideration the problem of the staff. It is efficiency-oriented.

The theory is built around:

1. The Scalar Principle

2. Unity of command

3. Span of control

4. Organizational specialization

THE SYSTEM VIEW OF ORGANISATION THEORY

A system is defined as a set of subsystems whose interaction determines its survival. This school of thought sees organization as a system with parts that interacts. It also identifies the process of integration of the system.

The system view tries to overcome the defects identified in the classical and neo-classical schools of thoughts. The short-comings are:

1. That the Human Relations School is a tool to manipulate people to their disadvantage

2. That the Human Relations School gives unfair advantage to the entrepreneur

3. That the Human Relations School fails to integrate the many facets of human behaviour

4. That the efforts to improve human relations in the work place have not always produced productive workers.

In order to overcome these identified shortcomings, the system view seeks to integrate all that is known about the various parts of the system. The issues to be considered are:

1. What are the strategic parts of the system?

2. What is the nature of their mutual dependency?

3. What are the goals sought by system?

4. What are the main processes in the system that link the parts together and facilitate their adjustment to each other?

THE APPROACHES TO ORGANISATION STUDY

Organization study is carried out from different perspectives. They include:

1. Behavioural School

2. Empirical School

3. Decision Theory School

4. Quantitative School

5. Management Process School

BEHAVIOURAL SCHOOL

This approach is in two parts:

The Human Behavioural School

This is based on the notion that management consists of getting things done through the help of people. The thinking here is that people are the important component of management and that managers that wish to succeed must take cognizance of human relations and use it as a tool to enhance productivity and motivation. This school of thought equates good management to good leadership. The key features are motivation, leadership, training and communication.

Proponents of this school of thought include scholars like Mayo, Keith Davis, Roethlisberger, Dickson and McGregor.

Social System School

This school of thought views management as a social system. The social system sees formal organization in terms of cultural relationships of various school groups. The primary concern of this school of thought is how to harmonize the organization goals with those of the group.

Proponent of this school of thoughts are Maslow, Argyris, Herzberg and March and Simon.

Empirical School

This is based on an experience or custom approach. The thinking here is that a manager's success depends on how he/she is able to learn from others" mistakes or successes. It is essentially management by a study of experience. The emphasis is on case studies.

Decision Theory School

This school of thought views formal organization as a network of decision making. That is rational decision making accounts for what most executives do key proponents are Forester, Cyert and March and Simon.

The Quantitative School

This school of thought views management as a system of mathematical models and symbols, processes, relationships and measurable data. Key proponents of this school are operation researchers, management scientists and mathematicians. Their methods include simulation and modelling techniques.

Management Process School

This school of thought is referred to as the traditional, universal and functional approach. It owes its origin to the writings of Henri Fayol. It simply defines what managements do. That is, the functions of management.

UNIT 3: ORGANIZATIONAL SUCCESS

Definition of Organization Success

Successful organizations need both inspirational leaders and sound managers. In order to achieve increased and sustainable results, organizations need to execute strategies and engage employees. Success is measured by analyzing where the organization is in regards to its goals and its mission.

The Steps for Organization Success

1. Organization's goals should be clear and in line with the mission.

2. Define plans that fit the organization: An organization needs to develop a unique plan and to remain in line with its own mission and goals.
3. Don't let external factors shift focus: External factors can, certainly, effect or even justify changes to the goals from time to time.
4. Communicate and review work progress often to keep everyone on track: While this should be a given, the reality is departmental and team silos are still the norm in many organizations today.

Furthermore, the entire team needs to review the goals at certain times to verify that the organization is on track in achieving them.



UNIT 4: FUNDAMENTAL CONCEPT OF THE NATURE OF PEOPLE

INDIVIDUAL DIFFERENCES

Explanation on the Concept of Individual Differences

The individual's experiences after birth make people even more different. In view of this, management must appreciate the fact that standard and across-the-board ways of dealing with employee will not provide the desired motivation.

The world is inhabited by billions of people, each created with unique and diverse features. From the perspective of the Bible, all men and women are created in the image and likeness of God. This means that a lot of communalities exist among people of different creeds and races.

The psychologist believes that every person is born unique and different. This suggests that even like twins are not alike in every person.

Everyone is born unique and different, some tall and some short, some fat and some slim, though there are commonalities such as two eye balls, a nose, two hands, two legs etc. In view of the above, managers must desist from using the same method to deal with different individuals.

The key attributes of an individual are:

1. Mental abilities

2. Emotional demand

3. Personality characteristics

4. Physical and sensory capacities

The Whole Person

Every person has distinct characteristics and traits which can be studied separately but, in the final analysis, they are all part of one system making up the whole person. It must be noted that skill does not exist separately from background or knowledge and that home life is not totally separable from work life.

Employers generally seek employees with skill which are employable. This suggests that employers of labour would desire only a person's skill and not the whole person.

Organizational behaviour tries to develop a better employee and a better person in terms of growth and fulfilment. This confirms the general notion that says the job shapes people. An improved or better person will bring benefit to the organization and the society at large.

The Concept of Caused Behaviour and Human Dignity

There is a motive for every behaviour of man, the motive could be due to needs of the individual or lack of it. In view of this, management must try to initiate the right behaviour that will produce the desired result. This cause behaviour is generally refereed to as motivation.

In an attempt to produce a happy worker using incentives or other means of motivation, managements must appreciate the need to treat the individual with respect and his or her abilities and aspirations recognized. Then can we boldly say there is dignity in labour.

Motivation is achieved in two ways:

1. Show that certain action will increase their need fulfillment.
2. Threaten decrease in new fulfillment unless they follow a required course of action.

UNIT 5: THE NATURE OF AN ORGANISATION

The concept "Mutual Interest" as related to organizations

Mutual Interest provides a super-ordinate goal that units the wide variety of needs that people being to organizations. The outcome of this is that people are encouraged to attack organizational problems rather than each other. The worker represents the interest of labour whilst the employers represent the interest of capital.

Mutual Interest as related to organizations is represented by the statement: "Organizations need people and people need organizations". People perceive organizations as a means to help them reach their goals, while at the same time; organizations need people to help organizational objectives".

Organisations are established by people with common interest to achieve common objectives. People organized largely:

1. To accomplish goals which are beyond the capacity of an individual
2. To share risk
3. To advantage of division of labour
4. Because of synergy

Why Organizations Are Regarded As a Social System

Organisations are regarded as social system because they operate in a dynamic environment which is subject to change.

Organisations are regarded as social system because they operate in a dynamic environment which is subject to change. Social system provides a framework for considering and analyzing the variety of variables involved in any organizational situation. The complexity of man's behaviour can be explained within the context of social interaction.

Organisations are regarded as social systems because the activities of organizations are governed by social laws as well as psychological laws. Man's needs can be categorized as psychological, social and esteem. Man's behaviour is influenced by his or her aspirations and drives as well as the group to which he belongs.

The Structure of Organizations

The organization structure of a business enterprise is the basic framework within which the executive decision making behaviour takes place. The principle function of the organization structure of a business is to facilitate desire decision and action and to limit or exclude decision and action not desired.

The concept of organization can be seen in two perspectives.

1. Static Concept: Here, an organization is seen as a structure or a

network of specified relationships among given individuals. This is known as the static concept.

2. Dynamic Concept: Here, an organization is seen as a process of an executive function in which the dynamic of organization change and growth are central.

The formal structure can further be sub-classed into:

1. Staff Organization Structure
2. Functional Organization Structure
3. Lateral Organization Structure
4. Committee Organization Structure

5. Matrix Organization Structure

MODULE TWO

Commitment to Continuous Quality/Process Improvement

Indicator Statements

1. Identifies and implements new processes and initiatives that help the customer/department accomplish its goals
2. Translates ideas into specific tasks/actions to improve operations
3. Actively seeks and suggests better ways of getting the job done, and learns from both successes and failures
4. Creatively applies and actively shares expertise and best practices with other departments.

Continuous Learning / Development

Indicator Statements

1. Takes the initiative to learn new skills that would benefit the position and operational objectives; 2. Takes ownership of own professional development

3. Learns from and seeks others' ideas and perspectives
4. Acts as a mentor and/or encourages other employees to improve and develop individual skills
5. Seeks feedback on performance
6. Considers, evaluates, and incorporates others' suggestions about their own performance
7. Continuously looks forew or nontraditional ideas to improve personal, team and operational effectiveness.

Creativity / Innovation

Indicator Statements

1. Injects originality into daily work through research, personal knowledge, and networking relationships
2. Thinks "outside the box"
3. Brainstorms and encourages new ideas and solutions
4. Takes appropriate risks

Customer Orientation

Indicator Statements

1. Insists on and/or provides on high quality service for internal and external customers
2. Demonstrates customer focus by seeking out, understanding, and responding to the needs of both internal and external customers
3. Responds to customers' needs, questions and concerns in an accurate, effective, and timely manner
4. Develops effective partnerships with customers
5. Effectively and professionally works with upset customers, solving their problems
6. Continually seeks efficient ways of providing services by minimizing procedural requirements.

Displays Vision

Indicator Statements

1. Thinks and considers possible future change
2. Helps provide a clear customer-focused sense of direction for the team and co-workers to support the department's vision
3. Develops and/or explains strategic action plans for practical use
4. Inspires and energizes others to commit to vision

5. Develops and refines vision to reflect constant and accelerating change impacting

Flexibility / Adaptability to Change

Indicator Statements

1. Displays flexibility and openness in daily work and encourages others to stay open to change, improvements
2. Adapts own attitudes and behavior to work effectively with different people and situations
3. Accepts and readily adapts to changing priorities, better ideas, strategies, procedures, and methods
4. Maintains work effectiveness in new situations

Leadership / Initiative

Indicator Statements

1. Views him/herself as part of the team, not above it
2. Is flexible and easy to approach
3. Builds positive working relationships with all staff
4. Provides recognition
5. Develops staff
6. Personally models MSU's values, behaviors, and work practices
7. Has personal credibility and high integrity
8. Utilizes internal organizational resources effectively
9. Anticipates and plans for future developments
10. Tackles difficult problems and decisions, when appropriate
11. Handles pressure and stress appropriately

Teamwork / Cooperation (within and across units)

Indicator Statements

1. Openly shares information, knowledge and expertise with the team and co-workers
2. Cooperates with other members to achieve the workgroup's goals
3. Appropriately gives and is open to feedback from team/co-workers
4. Puts accomplishing the interests of the University/unit ahead of accomplishing individual goals
5. Actively works to remove barriers to team effectiveness
6. Utilizes team members' skills to accomplish goals.

UNIT 7: ORGANIZATIONAL LIFECYCLE

ORGANIZATIONAL LIFECYCLES

The most effective organizational models now derive their strength from their observation and integration of systems found in natural lifecycles. In East Asian cultures, this cycle is depicted through five elements – water, wood, fire, earth and metal - which interact with each other in fluid and dynamic ways.

DIAGRAM



In contrast, corporations and businesses commonly use a framework that is based upon a linear model which advances through step-like stages of development – creation, direction, coordination, implementation and consolidation.

THE FIVE ELEMENTS OF ORGANIZATIONAL SUCCESS

The Five Elements of Organizational Success has been particularly effective in:

1. Organizational Systems and Design
2. The system assists in creating a harmonious work environment by contributing to the design and development of the operating and administrative systems.
3. Communication & Conflict Resolution
4. The system provides a unique way of looking at group and interpersonal dynamics in a way that is affirming of differing views, non-threatening and practical.
5. Leadership Development

UNIT 8: ORGANIZATION AND ORGANIZATIONAL DEVELOPMENT

INTRODUCTION

Organizations and organizational development issues as we have shown throughout this chapter, is a subject of increasing interest for both practitioners and theorists in the field as they tried to highlight the major issues that define organizations.

Organization can be defined as a group of people working together to achieve a goal or a set of common objectives. Viewed as a system, organizations are composed of a set of integrated subsystems to achieve organizational efficiency and effectiveness

Like any system, organizations use inputs that are subject to a process of transformation to obtain outputs (tangible results of the

transformation process embodied in goods and services). As highlighted throughout this chapter organizations have the role of pillars of society, success is a key ingredient for the welfare of a nation.

The Elements Organizational Development

The importance of organizational development results primarily from its role in helping organizations in the transition and change. Employees have higher expectations regarding the work they conduct. They need challenges, recognition, sense of accomplishment and good relationships with managers and other employees. If these needs are not met the organization's performance will suffer.

UNIT 9: ORGANIZATIONAL PERFORMANCE

Organizational Performance

Organizational performance is one of the most important variables in the management research and undoubtedly the most important indicator of organizational success. Organizations have an important role in our daily lives and therefore, successful organizations represent a key ingredient for developing nations.

In the '50s organizational performance was defined as the extent to which organizations, viewed as a social system fulfilled their objectives (Georgopoulos & Tannenbaum, 1957: p. 535). Performance evaluation during this time was focused on work, people and organizational structure.

Continuous performance is the focus of any organization because only through performance organizations are able to grow and progress. Thus, organizational performance is one of the most important variables in the management research and arguably the most important indicator of the organizational performance.

Organization Performance Measurement

Organizational performance is one of the most important variables in the management research and undoubtedly the most important indicator of organizational success. The first condition necessary to

improve and achieve excellence in business is developing and implementing a system for measuring performance of the organization.

A performance measurement system has many roles which include:

1. The immediate role of a performance measurement is to check the organization's progress in achieving its targets.

2. Another important role of a performance measurement system is to notify individuals the aspects that are important for organizational success and identifying the areas that need improvement

3. Finally, a performance measurement system enables the development of efficient and effective development strategy since, no matter how favourable are the results recorded by the organization is always room for improvement.

According the authors Neely, Gregory and Platts (1995:80) performance measurement involves the concepts of efficiency and effectiveness. They define performance measurement as:

1. a process to quantify the efficiency and effectiveness of past actions
2. an indicator used to highlight how effective and/or efficient of an action
3. a set of indicators used to quantify the efficiency and effectiveness of action. Other authors define performance measurement in terms of the economic areas to be assessed: financial, marketing, management.

UNIT 10: MANAGING PEOPLE FOR ORGANIZATIONAL SUCCESS

Managing People for Organizational Success

The rapidly changing nature of business given today's economy and global competitiveness requires a fundamental rethinking in how organizations manage people. Organizations will not be successful or profitable if they do not pay sufficient attention to their working people. Those people have faces. They have feelings. They have aspirations. They want to do their best every working day to help make their

organizations successful. And, most importantly, they demand to be treated unfailingly as human beings.

Thus, if you are a dedicated manager, leader, or business owner interested in improving your people management skills, you might find the following 21-point observations helpful:

(1) You will always be working with people, regardless of your position or level in the organizational hierarchy. Even if you try to isolate yourself from others, chances are that you will find yourself constantly involved with people.

(2) The knowledge that you will constantly be involved with people behoves# you to constantly apply the Golden Rule in your dealings with people: treat people in the workplace as you would like to be treated.

(3) Unhappy or dissatisfied employees contribute to the immediate downfall of virtually all organizations.

(4) Employee satisfaction can only be achieved by creating and sustaining a motivating workplace.

(5) To sustain motivation, organizations need to constantly identify, assess, and attack the demotivators – those practices or activities that do not "turn on" the working people.

(6) People have strengths and weaknesses. It is too easy to de-motivate employees by harping on their weaknesses.

MODULE THREE

UNIT 11: MODELS OF ORGANIZATION

The Concept of System Overlaps or OVERLAYS

The Concept of Overlays was proposed by Pfiffner and Shernood. They see organizations as a variety of complex factors working within the ambit of a formal organizational set-up. This concept presupposes that an organization is a formal structure deliberately constituted by the framer to show the types of interactions that will be allowed in the

organization. The formal structure is a Job-task Pyramid and represents the foundation of the organization.

The structure can be modified by internal and external pressures. The pressures were referred to by Orife as a System of Overlay. The overlays are:

(a) Socio-Metric Overlay – This is a problem solving approach. It depicts special friendship within the organization.

(b) Function Overlay – Depicts a direct relationship between operating departments and specialists assistants.

(c) The Decision Overlay – Depicts the flow of important decisions in the organization.

(d) The Power Overlay – Depicts the centres of power in the organization

(e) Communication Overlay – depicts the channel of who talks to whom about a particular problem. These overlays invariably modify the formal structure of the job-task pyramid.

THE FUSION PROCESS AND SYSTEM ORGANISATION

The Fusion Process recognizes the existence of individuals whose goals are distinctly separate from those of the organization for which they work. It regards an organization as a dynamic open system containing formal and informal behaviours.

Three processes in an organization were identified as:

1. The Socializing Process, which are activities contributing to achievement of corporate goals.

2. The Personalizing Process, which are activities contributing to the realization of the individual work.

3. The Fusion Process, which are simultaneous occurrences of socializing and personalizing processes or the simultaneous achievement of organizational and individual goals.

THE BUREAUCRATIC MODEL

Max Weber's ideal type of organisation, otherwise referred to as Bureaucracy is an attempt at describing an ideal form of an organization which guarantees the predictability of the behaviour of employees of an organization.

The characteristics of bureaucracy are:

1. Rational legal system of goals
2. Authority of office
3. Hierarchy: superior – subordinate relationship
4. Rules, regulations and records
5. Specialization – limited sphere of competence
6. Predictability arising from rules and regulations
7. Universalism or indifference implying apparent impartiality
8. Employment should be based on technical competence.
9. Offices should be taken as careers.

UNIT 12: STAFF MORALE AND JOB PERFORMANCE

THE CONCEPTS OF MORALE AND MOTIVATION

Motivation is one of the ways of arousing interest and inspiring people to cooperate and when necessary "pull out" something extra. It is the investigation of behaviour rather than the mere existence of a need.

Environment motivations (incentives) are:

1. Good objectives towards which good behaviour is directed
2. A wide variety of stimulating conditions which act as spurs and checks to performance efficiency.

WHO IS INVOLVED IN MOTIVATION?

1. Team Leader – Inspires members of the team to create the right response.
2. Self Motivation – The desire to excel and achieve target.
3. Co-workers – Other varieties such as music could be a stimulant, monotonous work. A natural leader could emerge from the working team.
4. Personnel Staff – Through effective administration of incentives and other staff welfare packages.

WHAT IS MORALE?

According to Otu (1998), morale is the emotional reaction of a person to his job. It refers to confidence in the means of goal attainment i. in leaders ii. in subordinates iii. in oneself

A correlation exists between low morale and other factors such as:

1. Labour withdrawal
2. Absenteeism
3. Indolence
4. Loafing
5. Excessive excuse from work.

Conversely, high morale is associated with:

1. Promptness
2. Enthusiasm
3. Dependability
4. Cooperation

THE INFLUENCE OF MOTIVATION ON STAFF MORALE

Motivation is a driving force, a propeller that drives an individual to take a desired action. The human resource plays a pivotal role in the effective attainment of organizations. In view of this, it is critical that managements address the welfare of this all-important resource.

The motivators to be embraced are: Recognition, advancement, achievement, personal growth and self-fulfilment. This enables the organization to elicit the following behaviour from its staff:

1. Staff is induced to enter and remain within the system
2. Staff is made to carry out their role assignment in dependable manner
3. Staff is involved in innovative and spontaneous activity in achieving organizational objectives.

BOOSTING THE MORALE OF STAFF

It is the prime responsibility of the leadership to ensure a conducive work environment is created to give staff members an enabling environment to carry out their work and to boost their selfworth on their jobs. The leader must be accessible, flexible and willing to effect necessary and practical changes in the leadership style and administration.

Staff morale can be boosted through:

1. Praise
2. Responsibility
3. Promotion
4. Advancement
5. Professional and academic growth

UNIT 13: ORGANISATIONAL PROBLEMS AND WINNING STRATEGY FOR SUCCESS

The Major Problems Faced By Modern Day Organisations

Board operations

- Low attendance at meetings
- Low participation in meetings
- High turnover of Board members
- No, or poor, decision making
- Rubber-stamping recommendations from the Chief Executive Officer
- Conflict among Board members
- Micromanagement of day-to-day activities

Workplace conflict

This is a state of discord caused by the actual or perceived opposition of needs, values and interests between people working together. Conflict takes many forms in organizations.

Strategic planning

- Lack of clear focus for the organization and for making major decisions
- Frequent, conflicting suggestions from Board and/or employees
- Continual shortage of funds across the organization
- Low attendance and participation from Board and/or employees
- Poor results from products and services
- Conflict among Board members and employees about priorities, roles and responsibilities

Business planning

- Lack of clear goals and outcomes with products and services
- Shortage of resources for products and services
- Little or no results from products and services
- Frequent complaints from employees who deliver products and services
- Conflict and turnover among employees who deliver products and services

Management development

- Poor planning, organizing, leading and administration of resources
- Lack of direction and guidance to employees
- Conflict among employees
- High employee turnover
- Poor communication between employees and between Board members
- Incomplete implementation and evaluation of products and services
- Board is not involved at all, or far too much, in planning and leadership

Employee development

- Frequent turnover
- Frequent complaints and conflict
- Poor performance

- Compliance ("going through motions") on the job

Poor Human Resource Management

- Conflict between team members
- Inefficiencies in activities
- High turnover of members
- Confusion about decision making and problem solving
- Poor performance among members
- Ineffective meetings
- Low morale
- Workplace diversity

Financial management

- Shortage of resources for products and services
- Lack of understanding of costs of various resources
- Bills continually not paid on time
- Problems reported by annual financial audits
- Numerous requests for funds from investors
- Frequent refusals from investors
- Financial goals are not clear

Advertising and promotions

- Little or no available feedback from customers
- Strong testimonials and results from customers, yet little growth in products and services
- Confusion among customers about features and benefits of products and services
- Lack of resources to obtain, develop and deliver products and services

Evaluations of products and services

- Confusion among employees about products and services
- Inability to successfully describe products and services to others
- Poor results from products and services
- Frequent complaints and conflicts among employees who deliver products and services
- Ineffective advertising and promotions

Resources

- Maintenance of group momentum
- Members' difficulties finding time
- Negative reactions of members' constituents
- Maintaining access to additional funding
- Increased competition between groups
- Delayed accomplishments

Organizational Structure

- difficulty working with a diverse set of organizations
- Duplication of efforts
- Creating an effective structure
- Personalities

Vision

- Lack of a shared vision
- Dilemma of mission drift

Organisational Winning Strategies for Success

Generally, no organisation is set up basically for failure. Being it public or private organisation, the rationale behind its establishment is to succeed. In achieving success, managers/management are saddled with responsibilities of formulating and seeing to a judicious implementation of policies and programmes that will help to achieve the preset objectives.

More so, in doing this, management must assess various human and material resources that are assets and not costs in order to put things rightly. In addition, no matter how good an organisation plan is, if there are no human resources (people) to implement such, then it as good as no planning. People contribute to about 70% percent of such resources that management needs in order to succeed.

(a) Conflicts: Being in any form can be tackled through forcing, problem solving, compromise, smoothing and avoiding.

Forcing: Also known as competing. An individual firmly pursues his or her own concerns despite the resistance of the other person. This may involve pushing one viewpoint at the expense of another or maintaining firm resistance to another person‟s actions.

Win-Win (Collaborating) Also known as problem confronting or problem solving. Collaboration involves an attempt to work with the other person to find a win-win solution to the problem in hand - the one that most satisfies the concerns of both parties. The win-win approach sees conflict resolution as an opportunity to come to a mutually beneficial result.

Compromising: Compromising looks for an expedient and mutually acceptable solution which partially satisfies both parties.

(b) **Human Resource Management**

Human resource management is the management of the most important resources of any organisation-THE PEOPLE.

(c) **Strategic Change**

Strategic planning is planning for the long-term period. It is vary between organizations but the plan usually made for up to 5 years. Because of that long term goal, there are some challenges to be faced. This should be used to manage the deficiency in strategic planning process. Strategic change is defined as “changes in the content of a firm's strategy as defined by its scope, resource deployments, competitive advantages, and synergy (Hofer and Schendel 1978).