

Cinema: organizational overview assignment

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What Is the span of control of the film purchase director? [2] The film purchase director has 3 subordinates which are under his command therefore the span of control is 3.

2. How many levels of hierarchy are there In the cinema buildings department? [2] There are 4 levels of hierarchy In the cinema buildings department which are the following: Cinema Buildings Director, Regional Buildings Managers, Cinema Managers (in each country) and Cinema Staff.

3. Outline three drawbacks of a centralized structure in this business.

6] A centralized structure Is a management structure where decision making Is done at higher levels by those with a strong position that includes having combined considerable knowledge and information about what needs to be done. In a centralized organization, decisions made by higher management are typically communicated to lower organizational levels who are then expected to accept and move forward in a way consistent with those decisions. Centralization Is keeping all of the Important decision making powers within head office or the centre of the organization. The control In this kind of organization Is kept In the centre. To begin with, a centralized structure may not be very suitable to this business. With a centralized structure, there will be more supervision and less flexibility, therefore managers will have to look for permission from a superior head office If they want to change or do something dissimilar. This will be negative to the cinema since it will delay decision making and make the cinemas less responsive to changes In the market. Moreover, a centralized structure would be a negative aspect to this kind of business (the cinema) since it directly affects managers.

Since managers have to follow any instructions given by the command center, there will be very little chance to get managers to make their own decisions and be innovative. This may be a hygiene factor' stated by the theorist Herzberg. Their jobs will be less challenging and less amusing and also their duty is lower. In this case having more responsibilities and a more challenging job would be 'motivators' in Herzberg theory. A centralized structure would be a demotivator to subordinates, lower in the hierarchy of staff.

Furthermore, another aspect in which centralization could be negative in this kind of business could be the following. On this kind of structure, the head manager would decide on how the cinemas have to work and even deciding on opening, closing and performing times. It will also decide on what kind of films have to perform on every cinema on the business branch. This would be a negative aspect since the business could operate on more than one country meaning that there are different cultures and preferred genres of films in every country.

There would be several differences in the countries that Majestic Cinema operates in; therefore some films may not be popular on some countries. This could reduce potential demand and cinemas might miss out on lucrative opportunities. To conclude with, it is not always a very positive aspect to have a centralized structure on different kind of businesses specially those who tend to operate on more than one country which plays with different cultures and tastes. 4. Explain how Paul might decentralized the decision making in this business. 6] Decisions are allowed to be taken away from the head managers in a decentralized organization. In this case, for Paul to <https://assignbuster.com/cinema-organizational-overview-assignment/>

decentralized the decision making in this cuisines, he has to delegate the decision-making down the hierarchy of workers to a lower rank position. By delivering the business the span of control would increase, having more managers on each level, but it would be possible to delegate. In this case it may be true that Paul may want to delayer the organization; in the case study we can see that he speculates if middle managers are fully necessary.

By delivering we mean that since middle managers are useless, it could be a good idea to remove them of the process. 5. Discuss the consequences to the business and to the cinema managers of centralizing decision-making authority to them. [10] organization. For decentralization to occur, it would be necessary to delegate decision-making down the hierarchy of workers. Decentralization is the transfer of decision making it is escorted by delegation of authority to individuals at any level in the organization.

Decentralization decision-making authority of the business and cinema managers can be a positive aspect or a drawback to the business and the cinema managers. To begin with, this decentralization decision could be a benefit to them since it could be an opportunity to delayer the organization. By delivering the organization, they would be able to remove middle managers which may not be essential and in this way could eventually reduce the cost of the business. Moreover, decentralization decision-making authority would mean an increase in sales the need of consultation on head officers.

Since this organization operates in more than one country, globally, it is obvious that each country has different cultures. By operating differently in

each country, for cultural differences, the business could not lose the sales which could hypothetically been lost if each country was treated equally. The business would be now able to set different films and food/drinks according to the wants of each country. Furthermore, the decentralization idea could also be positive to the business but specially to managers.

Decentralization could include delegation and a more important role to managers on the business. This supports Herbert theory of motivators in which managers are motivated by playing a more important role in the business. Managers also tend to prefer more challenging tasks in which they feel they have an input to the business. In addition, it would also be an advantage to customers and eventually the business. Decentralization would mean that the needs of the consumers could be attended with more flexibility.

If the business manages to respond quickly to needs there would be an increased customer satisfaction which could finally lead to an increase in demand. On the other hand, decentralization may not be always as positive to the business or managers. Decentralization decision-making authority could provoke an increase in short term costs of delivering. When delivering, the business is making the middle managers redundant. In this situation the business might experience redundancy costs as well as contradictions from managers. What is more, Herbert theory may not be applied to every worker in the business.

It is possible that not every worker would feel attracted to delegation or an increase in responsibility. It is likely that certain workers may prefer

autocratic leadership and follow simple orders and rules since they may find this path easier and more practical. Additionally, the fact that the business would have to sell different products on each cinema in the branch would be a negative aspect. It would be in this case since the business would have to buy different food and drinks for every single cinema in the branch, depending also on the region or culture it operates in.

This would terminate with the advantage of bulk buying they had if they used a centralized structure, since they are now not buying in bulk and hence not getting economies of scale. Besides, a decentralized decision-making authority structure would mean that middle managers would be cut off. This means that managers on lower skilled levels would take more important roles in the decisions of the business. Since these managers would be less skilled they could have more errors as they have less experience and be a negative aspect to the business.

To bring to a close, it is arguable that businesses decide on having a decentralized decision-making authority structure since when decentralization the business not every worker is taken into account and the inexperience and denomination of workers may finish on disastrous endings to the business. Majestic cinemas would benefit from a flexible approach which could meet the needs of the customers more effectively and eventually having a long-term profit on the business.