Organizational structure efficiency and effectiveness business essay

Business



This describes the best theories upon which organisational structure and culture were formulated.

Organisational structure

" The structure of the organization can be defined simply as the sum total of the ways in which its labour is divided into distinct tasks and then its coordination is achieved among these tasks".(Mintzberg 1983a: 2). Such a formal structure is merely what was further described as " the bones of an organisation" by Mintzberg. There were arguments by other writers to Mintzberg' s views and definition of organisational structure, Daft (1989) claims that organisational structure is not only about the division of labour and its coordination but also about (formal) relationships among members of the organisations, the way individuals are grouped together, the way they communicate and so on, Handy (1985: 197-198) argued that " decision making on the underlying bone is first priority, writers such Boulding (1955), Katz and Kahn (1966, 1978) and Thompson (1967) introduced organisations as systems in the 1950s and 1960s. They proposed to see organisations as bounded entities that receive input, process this input (" throughput") and generate output. O'Brien (1991) on the other hand proposed that a system is a group of mutually related components that work together in order to achieve a common goal. This implies that a system is not a " randomly assembled set of elements" (Davis & Olsen, 1985: 270). On the contrary, thecomponent parts of the system are - intentionally or unintentionally brought together in order to achieve interaction. Morgan (1986) in his write up also pointed out that system theory was inspired by the work of the biologist Von Bertalanffy who introduced the popular concept of " open

systems" in an article published in 1950. Mintzberg was well aware of the human aspects. In his popular book "Mintzberg on Management" (1989) and he described the formal structure as just bones that need to be infused with human spirit -with energy, ideology, and culture if it must survive. Mintzberg also agreed with Handy (1985: 197-198), that " decision making on the underlying bone is first priority". Mintzberg (1989: 352) equally argued that system approaches in management encourage a sort of " impersonalized management" that in terms of employee welfare is catastrophic, thus Organisational designers deliberate use of so called design parameters should be seen as the knobs that influence the division of labour and the coordinating mechanisms, thereby affecting how the organisation functions" (Mintzberg, 1983a: 25). MTN Nigeria as a 5 strata organization adopted the Matrix of Work to structure its organization. This theory originates from Stratified System Theory by Elliott Jaques as modified by Gillian Stamp from BIOSS. The proponent of Stratified system theory of Jagues theory claim it is unrivalled in its capacity to explain how organization actually work and this provided the optimum bases available for attaining desired changes and improvements in organizations. Jaques' work provided an empirical solution for individuals working at the level of work commensurate with their abilities and developmental and aspirational needs and organisation needs to get work done at appropriate levels of complexity (McMorland, 2005: 77)Jaques' Levels of Work model - has practical application for managers seeking to understand and work with organisational complexities, especially for organisations undergoing change (McMorland, 2005). It outlines Jacques' theory of requisite organisation and illustrates how organisations can benefit from getting people working at the right level and in the right-sized job for them. MTN Nigeria basis for adopting Matrix of Works theory are; It describes work in terms of complexity and unique themes. It describes the different but matching capability required for each theme of work. The themes have different time horizons before the results of decision-making can be seen. Each work theme is more distinct and complexity increases exponentially and it thus poses unique new conceptual requirements for decision-makers and leaders. While their rationale and elements are: Matrix of work is based on the concept that different types of work take place at different levels in an organisation. These types of work are summarised in unique work themes that describe the distinctive competence and contribution of each level to the organisation's capacity to act. The work themes have different time horizons before the results of decision-making can be seen. Different but matching capabilities and competencies are required for each theme of work.(Source; MTNN HR policy document)The researcher agrees to all the views and propositions of organisational structure as stated, this resolution was reached with the consideration that there is no singular perfect defined way of structuring an organisation. Thus all the views and arguments is in one way or the other interwoven to create an effective and efficient structure. The researcher also believes that MTN given its operating environment is right in adopting the Jagues SST to develop its organizational structure.

Mintzbergs Configuration that best describes MTNN The study of organizational configuration is broadly defined as " any multidimensional constellations of conceptually distinct characteristic that https://assignbuster.com/organizational-structure-efficiency-andeffectiveness-business-essay/

commonly occur together" (Meyer, Tsui & Hinings, 1993, p. 1175). Mintzberg configuration model posits that there are six valid parts that constitute any organization which are; Strategic Apex: Top management. Middle Line: Middle Management. Operating Core: Operations & Operational processes. Technostructure: Analyst, Skilled administrators, scientist etc. Support Staff: Supporting staff outside operation workflow. Ideology: halo beliefs and traditions, norms, values, cultures etc. Mintzberg postulated that an organization's structure arises from the interaction of the organization's strategy, the environmental forces it experiences, and the organization itself, and he concluded that there are five valid organizations, namely; Simple structure which is simple, lean and relies on direct supervision. Machine Organization which relies on standardization of work, companies having this structure. operates in environments that are simple and stable, decision making is decentralized. Professional Organization it relies on standardization of skills, suitable for companies in complex but stable environments. Professional bureaucracies exist and decision making is decentralized. Divisional organization relies on standardization of outputs, suitable for companies working in complex and unstable environments, Managers maintain more control and accountability, the central teams focus on the big picture. Adhocracy organization a highly organic structure, for companies in turbulent environment which require constant innovation with decentralized decision making. It relies on mutual adjustment for success. There two basic forms of adhocracy which Administrative adhocracy and Operating adhocracy. MTN Nigeria is a divisional organization which relies on standardization of outputs. MTN Nigeria has 10 values creating functional

areas consisting of 9 divisions headed each by an Executive and 1 sub division headed by a General Manager. MTN sustainability is about the way it conducts its core business, It is structured to integrate economic, environmental and social issues into product development, and run its network and manage the different needs of its people, customers, investors and the communities in which it operates. The MTN Group is charged with the responsibility of designing the Organisational structure for the subsidiaries.

Organizational Structure Efficiency and Effectiveness

Effectiveness of a system is about doing the right things while Efficiency of a system is about the inputs the system uses in order to produce outputs, meaning that efficiency is all about doing things right, accomplishing tasks with a minimum of time and resources (BSN Phase 1 Course Notes: 581). The effectiveness and efficiency of MTN Nigeria can be viewed in line with the postulation of Jagues stratified system theory which states that a ' requisite' organisation starts with its mission from which flows its value and culture. He maintains that every organisation must embrace a number of core values, which are fundamental for the development of effective working relationships within the organisation. The corporate organisational structure, systems and principles must be consistent with the organisational values (Jaques, 1991). MTN Nigeria existing in a rapid changing environment due, to extreme competition, government policies, challenging cost demands and poor infrastructure in Nigeria, has been able to maintain the leading position in the Nigeria telecommunication space for the past 10 years. MTN Nigeria has the largest market share, the most profitable company and highest https://assignbuster.com/organizational-structure-efficiency-andcompany paying tax in Nigeria. Remarkably MTN have achieved this feat, through strict compliance to its business core values and mission. Having achieved all the mile stones as mentioned, there is still room for improvement with regards to network quality and coverage, and overall customer service and satisfaction.

Organizational Design Parameters

There are nine design parameters as identified by Mintzberg. The organisational designer uses the parameters to influence the way individuals are positioned in the organisation and the way groups or departments are formed. The design parameters are Job specialization, Training and indoctrination, size, Behaviour formation, Planning and control systems, Unit grouping, Liaison devices, Vertical and horizontal decentralization. MTN Nigeria adopted the requisite organization development model, the main features of this model are to determine outcomes, to describe the work and to establish guiding principle for teams which are however in tune with the listed Mintzberg design parameters; Job Specialization: MTN encourages specialization in the IS Division and Network Group division, MTN HR instituted a specialist track to develop and grow its employees to become specialist in their technical roles rather than become unit managers saddled with managing of resources. Training and indoctrination: MTN Nigeria encourages training, every employee is entitled to two personal development program every year, where he attends a technical and nontechnical training, MTN HR runs massive MTN values training and carryout massive policy change campaigns, village meeting, surveys etc. The unit grouping: MTN Nigeria is structure into nine divisions which each is headed https://assignbuster.com/organizational-structure-efficiency-andby a Level 5 executive (according to Jacques SST model), and in each division there are several units headed by Level 4 General Manager (GM) according to desired outcomes, and the units are further divide further down, MTN Nigeria is basically a 5 strata organization according to requisite organizational theory. Vertical Decentralization: MTN structure into divisions and each divisional head is saddled with the decision making that governs that division. MTN predominantly a parallel vertical decentralization in its decision making.

Organizational Culture

Peters and waterman (1982) in their book " In Search of Excellence" argued that successful organisations differed from organisations that were lagging behind not because of their structure but because of their culture. Organisational culture has therefore been defined as a " collective programming of the mind which distinguishes the members of one organisation from another." (BSN Phase 1 Course Note: 614). According to Wikipedia, organizational culture is the collective behaviour of humans who are part of an organization and the meanings that the people attach to their actions. Culture includes the organization values, visions, norms, working language, systems, symbols, beliefs and habits. It is also the pattern of such collective behaviours and assumptions that are taught to new organizational members as a way of perceiving and even thinking and feeling. Organizational culture affects the way people and groups interact with each other, with clients, and with stakeholders.

MTN Nigeria Organization Culture

MTN Nigeria culture is based on the four dimensions as defined by Daniel Denison model, Mission, Adaptability, involvement and consistency. The cardinal point is it core values as explain in chapter one, further buttressed in its new culture message MTN vital behaviours; complete can do, complete candor......MTN Nigeria is a strong culture, its staff responds to internal and external stimulus because of their alignment to its organizational values. A strong culture is nothing more than a culture that allows managers to achieve goals; MTN Nigeria culture clearly satisfies this definition. The culture is characterized with some of the terms proposed in the normative approach " homogeneity, Transparency, consensus, predictability & leadership. The benefits of this strong culture are reflected in MTNN stellar performances and MTN employee experience. However like most organizational theorist suggest, all cultures are subject to change, MTNN strong culture is being threatened with growth, increase competition, most prevailing, " local culture" as suggested by Alvesson in processual Approach.

Cultural Types

Handy (1985: 188-196) distinguishes between four types of organisational culture: power culture, role culture, task culture and person culturePower culture: concentrates power among a small group or the Boss/Owner predominantly exist in entrepreneurial organization as coined by Mintzberg. Role culture: The organisation hinges on rules, strict roles descriptions and authority definitions, procedures to have consistent systems and make them predictable. A role culture is typical for a machine bureaucracy. Task culture is a " job or process oriented" culture and power is derived from the team https://assignbuster.com/organizational-structure-efficiency-andeffectiveness-business-essay/

with the expertise to execute a task. Management is seemed to be saddled with problem solving and the people here are mostly risk takers. This culture also depicts the multiple reporting lines seen in a matrix structure. Person culture: There is no distinction between managers and employees; management is regarded as something which, unfortunately, needs to be done. In a person culture the individual is the " central point", professional partnerships operate well as person cultures, because each partner brings a particular expertise and clientele to the firm. MTN Nigeria culture according Handy will mostly be a task culture, which is a consequence of the organization structure MTN adopted; matrix of work relationship model. Deal and Kennedy (1982: 108-123) defined organizational culture as the way things get done around here and describes four cultural types: Work-hard, play-hard culture: characterized by low risk decision but rapid feedback on those decisions; this result to stress due to quality of work rather uncertainty. It could be termed " high-speed action leading to high-speed recreation". Tough-guy macho culture: characterized by willingness to take high risky decisions and feedbacks on these decisions is generally expected rapidly. Focus is on the present rather than the longer-term future. Process culture: characterized with low risks and slow feedbacks, resulting in the following: Low stress, plodding work, comfort and security. Focus on security of the past and of the future. Bet-the-company culture: characterized with high risk decisions but slow feedback on the decisions resulting in the following: Stress coming from high risk and delay before knowing if actions have paid off. The focus is long term but much work is put to achieve the expected future outcomes. According to the Deal and Kennedy definition

MTNN is a Work-hard, Play-hard culture, she demands high quality deliverables from its employees and the same time promotes several team building activities and social interaction among its employees.

Metaphor Approach

Morgan (1980: 607) contended that metaphor can be used as a " foundation for inquiry" into organization. Morgan (1986: 607) said " my main concern is to show how we can use the creative insights generated by metaphor to create new ways of understanding organization". The basic idea is that metaphors can be used to " cross image" (Morgan, 1986: 346) or break through to ingrained on ways of thinking (BSN Phase 1 Course Note, Module X). The metaphors; " Culture as clan", " Culture as compass" and " Culture as a social glue" will be used to describe MTN Nigeria. Culture as clan: The metaphor stresses that organization cultures create group of people who share a particular understanding of the world. Shared social knowledge can be used as powerful means of control (Ouchi, 1980). MTNN promotes internal system of values and norms, runs massive campaign on values and attitudes it expects from its employees, for example the ethical series on its portal, the new campaign MTN vital behaviours, dress style, work hours & pride in work. It promotes employee engagement and satisfaction through village meetings, roadshows, postmaster mails etc. Culture as compass: Organisational cultures do have " direction-pointing capacity". MTN through its recruitment process ensures that every employee must have personally demonstrated MTN core values in his previous vocation before he is employed. This makes sure every MTN employee is already in tune with its core values and mission. The Core values and policy documents serve as a https://assignbuster.com/organizational-structure-efficiency-andeffectiveness-business-essay/

guiding compass for their behavioursCulture as social glue: The MTN Employee value preposition expects every employeeBegin a new tomorrowBecome a bold and visionary leaderBelong to our diverse and

exciting communityBelieve in yourself and so will othersGo Beyond the call of duty

Processual Approach

Alvesson (1993) believes that in trying to come to grips with organizational culture, it is better to focus on what would really matter. He argues that the widespread interest in relatively peripheral " phenomenon such as stories and jokes" (Alvesson, 1993: 66-67) should be reduced because they do not seem to have a profound effect on " Job satisfaction, motivation, mental-health and off the Job behaviour" . Working condition however have such an effect, it seem to be more interesting to see how culture relate to work activities and social relationships or more succinctly, " to social material reality" (BSN Phase 1 Course Note, Module X). The researcher agree with Alvesson views even though his critics have some valid arguments; the effective control and implementation of organization culture can only be do along working condition.

Environmental Factors That Influence MTNN Organization Culture

According to Schein (1992), the two main reasons why cultures develop in organizations are due to external adaptation and internal integration.

Organizational culture is shaped by multiple factors, including the following;

external environment, Industry, Size and nature of the workforce,

technologies, history and ownership. MTNN culture is challenge by some https://assignbuster.com/organizational-structure-efficiency-andeffectiveness-business-essay/

nple Page 13 ous and growing. MTN

these factors mention here, its size is becoming enormous and growing. MTN at moment is posed with the question of managing its growth, whether to increase staffing or to outsource, though some of its job functions are already outsourced it is gradually becoming a hub of mixed cultures. As suggested by Alvesson that organization cultures are subset of the large community, gradually some of the prevailing destructive Nigeria cultures are taking root within MTNN. MTNN HR has embarked on a massive campaign, policy enforcement, staff dismissal to stop this tide and also through its Group culture Audit, running several roadshows to improve employee engagement in order to sustain high performance. To sustain network quality, MTNN embark on massive network expansion, and to meet NCC regulations, MTNN had to push for aggressive process reengineering to avoid be fined. According to Jacques Stratified system theory organization need to do a re-evaluation after 10 -14 years of operation, at 2012 MTN Group, the parent company of MTNN, started process of realigning the organization and re-prioritizing its goals. This lead to change of Mission and Vision statement also change in core value drivers and sustainability pillars.

Multiple-Method Approach to Organizational Change (MAOC)

Bate (1990) distinguished two dimensions: Change can go in different direction, these changes always being to take shape at a particular organization level from which they disperse throughout the whole organization. This change can be either top-down or bottom-up. When implementing changes, different styles might be used. Bate (1990) and Kirkbridge distinguish a hard approach from a soft approach. The hard approach boils down to coercive change strategy while the soft approach resembles a mixture of a normative educational strategy and a national strategy Chin & Benne (1969). The two dimensions combined produced four different approaches to culture change which are: Conciliative approach: Soft style, bottom - up direction. This approach involves consultation, collaboration, teams and participation. Aggressive approach: Hard style, topdown direction. This approach connotes clear messages, clear lines of authority and a no nonsense mentality. Indoctrinative approach: Soft style, top - down direction. This involves training, socialization and indoctrination. It is much more subtle than the aggressive approach while retaining the clear message necessary. Corrosive approach: Hard style, bottom – up direction. This involves task orientation, work unit and structure. It argues that behaviour cannot be so easily changed by indoctrination. MTNN adopts mostly for the Indoctrinative approach to drive culture change but most times often uses aggressive approach for cultures that borders on integrity.

ANALYSIS OF FUNCTIONAL UNITS AND INTERFACE RELATIONS

This chapter deals with the analysis of individual Divisions in MTNN, analysis of interface relation between the researcher's functional unit and other functional units & divisions, finally the recommendations for the improvement on the problems pertaining to the existing interface relationship as identified. MTNN structure is grouped into ten Divisions and the CEOs Office; every division is made up of Departments which are further broken into units and sub units. Staffs of a functional unit are grouped together based on job specialisation, training, skills and Work experience. The actual representation of MTNN structure is as shown in figure 1 below but for the purpose of this Project, the divisions will be discussed under six major headings; Human Resources, Strategy, Finance, Sales & Marketing, Production and Information systems. The Researchers Functional Unit is " IS (Information Systems) Service Transition". IS Service Transition is a subunit in IS Service Management, and IS Service Management is a unit under infrastructure Services Department of Information Systems Division. IS as a Division provides the enabling technical support for the development of MTN's innovative services, while Network Group(NWG) division which for the purpose of this project is classified as Production division is charged with the implementation and support of the cellular services, thus ICT function is shared into Communication and Information Technology between NWG and IS Divisions . The Service Management coordinates all the affairs of IS operations by engaging in Vendor and Supplier management, Preparation and enforcement of Service Level Agreement (SLA) for all MTN products & services and ensuring that the SLA's are not breached, and for where there is a breach, ensures that adequate penalty is applied as agreed. Service Management is made up of three subunits; service Transitioning, Problem & incident Management and Service continuity Management. IS Service Transition being the researcher's functional unit is entrusted with the responsibility of ensuring successfully transition of service offerings from design into operation as stated in the SLA and at the same time enhancing adoption of business solutions and Service offering. The researcher holds the position of a Service Asset & Configuration Cordinator (SACC). An SACC is a Technical leader who is counted on as the expert in configuration

management. As an SACC, the researcher is charged with the responsibility of analysing processes and recommending changes in policy, methods, and procedures for Continual Service Improvement, an SACC also have a general familiarity with functions of various technical equipment types used within the large IT enterprise environment, this ranges from workstations to routers, switches and servers. An SACC also tracks the implementation of new technologies in the customer's environment, tracks Capacity management in the server room environment, develops and train staff on how to access and support configuration management, and finally enhances vendor and supplier management. The Service Transition due to its strategic role interfaces with all the divisions, departments, units and subunits in the industry.

Human Resources Management (HRM)

Human Resources Management is the key elements in the co-ordination and management of Work organisations. It functions such that it directs the decisions, actions and behaviour of Managers that affect the relationship between the employees and the organisation as a whole. MTNN Human Resources Division is therefore focused on a strategic, coherent and consistent approach to the management of the organization's valuable human capital. The HRM role in MTNN primarily involves personnel functions, performance management, employee relations, and resource planning.

Analysis of MTNN HR Division

Recruitment, Selection and Placement Process: This is the people management aspect of HRM process. It is targeted towards equipping a team

with the right skills and the right people. This process commences after a clear definition of the quantity and quality of personnel required, the recruitment exercise is initiated by advertising the existing vacancy, followed by screening/selection for the best candidate and finally hiring of the best person for the job also called placement. MTNN Recruitment, Selection, and Placement processes must adhere to the following guidelines as stated by the Recruitment Policy; Candidate AttractionWhen a position becomes vacant, it is the role of the HR Business Partner in the division to ensure that all processes related to filling the position are implemented. The KIV (Keep in View) register will be checked to determine if previously screened candidates exist for this vacancy. This will be in line with the Keep In View policy. All vacancies will be advertised internally on the (where necessary) on the career website. In instances where a vacancy advertised internally does not yield sufficient qualified applicants, subject to headcount availability, the vacancy will be re-advertised externally. Vacancies must be advertised for the stipulated period of 5 working days (for internal adverts) and 10 working days (for external adverts or when the advert is both internal and external). In exceptional situations due to business exigencies (e.g. instances where a position had been advertised without identifying qualified candidates) the advert may run externally/internally for 5working days. MTN employees who intend to apply for a vacancy must notify their line managers prior to the application. AssessmentsAssessments including psychometric testing will be administered to potential employees if deemed necessary for a specific job role. Test scores of successful internal candidates are valid for a 1 year period. However, internal candidates have the option of re-taking the test

after a 3-month period to improve their score. If this option is taken, the new test score supersedes the previous one irrespective of the new score. Unsuccessful internal candidates are eligible to re-take the specific test after a 3-month period. Test scores for successful external candidates are valid for a 1 year period. Unsuccessful external candidates have the option of retaking their tests after a 6-month period. All assessments/re-assessments will be based on Function Specific tests relevant to the hiring division. A candidate can participate in multiple tests if gualified for various positions across different divisions. A minimum score of 50% in an interview or assessment centre is required before a candidate can be considered or placed. Panel decision at the interview is final. References of new employees must be obtained from selected referees before an employee's appointment is confirmed. Selection Process (Short listing & Interview Process)Individuals seeking employment with MTNN must possess, at the minimum, a second class lower degree (or its equivalent) and may be required to take assessments as specified by the Company as a prerequisite to ascertain their capability or competence to perform the job/position requirements. All employees who are appointed must undergo a minimum of one assessment before joining MTNN. Assessments may be merged into one event for ease of administration. All candidates who are interviewed must be given adequate notice (of at least 2days) prior to the date of the test/interview. For senior appointments (level 3H and above), the CEO may request to have a final chat with the National Youth Service Corps members seeking to be retained as permanent staff of MTNN must undergo the formal recruitment process. PlacementMTN does not have room for promotions; all positions are

le Page 19 e. All new

advertised and will have the gualified candidates compete. All new employees must receive an offer letter signed by the HR Executive. New Staff Induction (On-boarding) Process: Induction is the act of welcoming a newly employed into the team and ensuring that soft landing is provided to facilitate quick adaption of staff into the new job role. The Induction process in MTNN is tagged " On-boarding process" and it's same for all levels. It spans through a period of six months within which the new staff is assigned a Buddy (an experienced old staff to be dependent on) who will ensure that all job related demands are sorted as required and also ensures that the newly employed is inculcated with the values, culture and policies thus making sure that integration into the brand family is done with ease and quickly. A new staff on arrival is welcomed be the HR business partner as well as the line Manager, introduced to other team members, shown around the environment and then handed over an on-boarding pack which contains items like welcome on-board texts, welcome on-board cards and corner piece decorations, buddy definition documents, job profile, branded gift items, evaluation and feedback forms. There will also be series of HR induction programs within the six months period to facilitate integration e.g. Brand ambassador, first yello Step and LIRIC. Staff Development: MTN Nigeria recognises that people are the most valuable Asset. In line with this MTNN is committed to providing learning and development to employees so as to optimise personal development and performance which contributes to the organisation which operates in a constant changing environment. Provision is made for staff trainings across seven classified areas: Business operations trainingCore competency TrainingGeneric Training (Soft skills

competencies)Functional TrainingConference and SeminarsProfessional trainingDevelopment InterventionsEvery staff of MTNN is mandated to part take in at least two professional trainings in a year. The Learning interventions are provided using the Blended learning methodology such as classroom training, web seminars learning and self-Paced learning. Performance Appraisal: A Performance Appraisal is a structured and planned discussion between the manager and each individual employee about the person's performance over a period under review, aimed at improving employee's performance in his current position and also to prepare the employee for future responsibilities. It is a control system that provides information to the manager and the employee about how well he is performing against desired, discussed and agreed objectives. (BSN Phase 1 Course Note: 318-320). The Performance Cycle of MTNN begins from 01 January to 31 December of every financial year. Although it is conducted in two phases; the mid-year review in June and the final appraisal in December which also is subjected to a moderation process by a team of all management staff and the chief exec of the division being reviewed. MTNN's Performance appraisal is tied to defined KPI's (Key performance Indicator) assigned to each staff. These KPI's may be integrated, shared, individual, team KPI or a combination of all. Performance at MTNN is rated using a fivepoint rating scales; 0 = Not achieved / did not achieve agreed targets and quality requirements1 = partly achieved / More is expected2 = Achievedexpectations, within cost and time and quality3 = Achieved more than expected4 = Exceeded targets, extra-ordinaryUse of appraisal ResultsIn addition to measuring employees' performance against set target, the

outcome of performance review is also utilized for determining; training opportunity, Retention & Attraction of Top Talent, Internal Recruitment/Career Development opportunity, Poor Performance Management penalty, MTNN Conditions of Service, Performance Bonus payment, Salary increment etc.

Interface Relationship Between IS and HR Division

MTNN as an electronic organisation is functionally dependent on IS to carry out every single bit of its activity. IS provides for HRM the platform for e-mail communication, document archiving and transfer, workstation and computing devices purchase and support, application implementation and support. The online recruitment process (E-recruitment) of HRM was developed and is being managed by IS, likewise the Oracle HIRS (Human Resource Information System) which is the backbone of HRM. IS creates, updates or deletes mailboxes based on HRM request, IS also creates new employee on Active Directory and deactivates disengaged staff also on request. IS houses all HRM application servers and ensures that they are up and running at any time " T". On the other hand, the HR partner for IS seats amongst the IS Staff to ensure that employee concerns are adequately attended to and takes feedbacks as regards to IS division to HRM division and vice versa.

Recommendation for Improvement of Interface Relationship Lapses

Recommendations

Non implementation of Audit functions feedbacks. HRM conducts audit functions to access employees view to management policies and processes. The application of relationship as a core value is always substituted with eye service and pretence. Delay in communicating employee hire and disengament. Appraisal should not be utilised as punishment for poor performance Improvelncrease head count and Overseas trainingThe feedback gathered from yearly audit function should always be implemented to encourage staff participation and wiliness in the next cycle. Sensitisation on the true meaning and required approach to friendliness should be intensified to create a healthy working environment. Prompt communication of hire and disengagement of an employee is necessary so that IS can deactivate and appropriately to avert risk. Appraisal should not be utilised as a means of improving performance. There is need for increase in head count to as employees are usually overworked.

Table 2: Improvement on IS & HR interface RelationshipMarketing And Sales Management

According to Kotler, marketing management is the process of planning and executing the conception, pricing, promotion and distribution of ideas, goods, and services to create exchanges that satisfy individual and organisational goals (BSN Phase 1 Course Notes: 345).

Analysis of Marketing and Sales Division

The Marketing and Sales Division is responsible for all issues related to promotion, driving sustainable growth, expanded distribution coverage and protection of the MTN brand. In summary Marketing and Sales division create market for MTN products and ensures sales of the products as well.

Marketing Mix

Marketing Mix is the quantity of marketing instrument used by an organisation to reach a certain marketing goal. The Marketing instrument is classified into five categories; product, price, place, promotion and personnel. Product: Products are goods and services that are brought to market to satisfy a certain need. The product department of MTNN is responsible for researching to determine consumers need, consumers' consumption system, guality, design, branding and packaging required for a desired product. Product department gets input to product development from marketing intelligence unit and also from vendors who may likely wish to introduce a product for the purpose of partnership. Price: The criteria for fixing the Price of a product can either be for the purpose of making profit or for the purpose of increasing market share. The Business intelligence department of Marketing division in MTNN is in charge of fixing product Prices. Thorough research and considerations of product objective, demand for the product, cost of manufacturing and competition are carried out to reach a final decision on price fixing. Already Fixed product prices can also be affected by changes in the market as clearly seen in the case of MTNF@st Link and MTN SIM cards whose prices have experienced tremendous decline over the years as a result of competition. Place: Place is concerned with the https://assignbuster.com/organizational-structure-efficiency-andeffectiveness-business-essay/

means of getting the product across to the final consumer. In this regards, the Geomarket unit with the Sales & Distribution unit ensures that efficient distribution of MTNN products is achieved. The 0-level and 3-level distribution channels are highly utilised in the industry, whereby the Trade partners, connect stores and MTNN Friendship centres are used as medium of distribution. Promotion: In addition to product quality, price attractiveness and good distribution channel, MTNN communicates effectively to the consumers and intended customers such that their actions are influenced in a way desired by the company. Thus the consumers are convinced on the essentiality of a product or a brand thereby leading to increased sales of that particular brand . Product Promotions is handled by Media unit of the marketing division, promotion is done pre-lunching of every new product and at product enhancement in terms of quality, price, added value etc. MTNN carries out product promotion through jingles, advertisements, and distribution of flyers. Personnel: This component of marketing mix describes the Sales Representatives who sells and supports the products and services to the Consumers or the trade partners in line with the company's set target. The Sales Reps (Representatives) for MTNN comprises of the Dealer Executives, the Customer Consultants, the Customer Care Representatives and the Account partners. The Function of the Sales Rep is target driven due to the fact that the growth of the company is measured by profit margin between two or more financial year. MTNN applies serious caution in recruitment into the sales unit to ensure that the right personnel with the right drive are selected, Marketing and Sales Division is the revenue generating hub of the organisation hence the attraction of higher motivating

treatment from the management as against other units in terms of training, higher remuneration, project execution etc.

Analysis of interface Relationship with Marketing Division

IS Division is known as a business enabler, and therefore interfaces with Marketing by means of providing the needed infrastructural services to enable consumer based offerings electronically. Marketing Division also depend on IS to carry out its day-to-day operational function such as electronic mails, intranet services and computing devices. At the introduction of any new product or service, an agreement will be reached between Marketing and IS on the infrastructural requirements and support levels, thus an SLA is drafted to which the units involved will be committed to as stated in the agreement.

Recommendation for improvement of the Interface Relationship

Lapses

Recommendations

IS Breaches SLA on resolution time. Marketing does not provide real time communication on product and service retirement to the business. Surge of irrelevant products for rollout. Reluctance to follow IS standard process. SLA's has to be adhered to as agreed and penalty mated out appropriatelyThere should be communication to the business at the retirement of any product and serviceNew ideas or products should be critically scrutinized for profitability before being considered for rollout. There should be a marketing liaison from IS to help simplify the standards and processes.

Table 3: Improvement on IS & Marketing interfaceRelationship

Strategy Management

Strategy Management deals with the planning, management and formulation of ideas that could help an organisation to realise its goals. Strategy Management for MTNN is handled by a team called MANCOM committee; this committee is made up of MTNN top management and MTN Group. MANCOM engages in strategic planning to evaluate MTN current profile and to determine the future profile that will yield increase in revenue generation, in that sense, organisational objective, Mission, and activities are evaluated to determine risks and gaps and henceforth formulate and implement strategic decisions to address the risks and gaps identified.

Strategy Formulation

Strategy formulation has become the central point of interest during the last few years. It is a useful technique to protect an organisation against developments in the environment, which could pose a threat. Thus effective strategy formulation is not only useful to the organisation as a whole, but also to the respective business units (BSN Phase 1 Course Note: 378). MTN Group system of strategy formulation takes into account seven steps of Strategic formulation to reach a decision on strategic implementation, these seven steps include; determination of the present strategic profile, internal and external analysis (SWOT analysis) of the MTNN environment, definition of existing strategic gaps, researching of strategic options, evaluation of strategic option for final choice and implementation of the specified strategic decision.

Strategy Planning

The divisional executives are saddled with the accountability and proffer direction to achieve the overall strategic goals of MTN Nigeria, like creating and managing stakeholder value, creating a distinct customer experience, driving sustainable growth, transforming operational model and innovation and best practice. These goals are aimed to be achieved by ensuring that employees have the best possible experience through the MTN Employee Value preposition called the MTN Deal.

SWOT Analysis

SWOT analysis ensures that strength weakness, opportunities and threats are connected in a very careful way to produce a summary of an organisations Key success factors. SWOT will analyse the threats and opportunities presented by the ever changing external environment of an organisation, as well as the strength and weaknesses of the existing internal strategic planning of an organisation to identify strategic gaps, eliminate weaknesses and make most of the strengths.

STRENGHT

WEAKNESS

Wide network coverageHighly Innovative productsPerfect selection of employeestrong culture and effective structureThe Strong brandHigh return on investmentLarge market shareHigh tax remittanceSlow response to https://assignbuster.com/organizational-structure-efficiency-andeffectiveness-business-essay/ cultural changesMore focus on efficiency than effectivenessMad rush to market with fairly finished products

OPPORTUNITY

THREATS

High demand for communicationsIncreasing demand for Data productLarge population of the countryCompetitors inability to spreadEpileptic performance of CDMA TechnologyWide acceptance and recognition by Government and the populace as Nigerians Number 1 Telecoms companyAttacks on telecoms installation by Boko haram terrorist group in northern regionNCC regulatory issuesAdvancement of CDMACompletion from other GSM companyGenerator Theft from SitesLack of National electricity Power supplyGovernment Policies such as high taxationPolitical issues

Table 4: SWOT Analysis of MTNN

Interface relationship between IS and Strategy Team

The management team which forms the MANCOM committee are from level 4 and above which includes The GM of IS Infrastructure Service department, other departmental GMs, the CIO, other divisional Execs, the CEO, some board members and the MTN Group representatives. The strategic plans and decisions are cascaded down by the CIO and the GM of the researcher's functional unit. Also the CEO, CIO and GM frequently organises forums with the lower cadres to disseminate information and collect feedbacks to be deliberated on at MANCOM meeting.

Recommendation for improvement of the Interface Relationship

Lapses

Recommendations

Impact of Feedback from interactive forums are never feltStrategic Decisions are sometimes not clearly communicatedStrategic decisions most times lack staff welfare, always aimed at achieving investors dreamsFeedbacks should always be acted on by strategic team so as to encourage and motivate staff participation in strategic decisionsClear and distinct massage should be passed across to avoid ambiguityDecisions should not only be geared toward making profit, staff welfare in terms of remuneration should be paramount so as to promote effectiveness and commitment

Table 5: Improvement on IS & Strategy Team interfaceRelationship

Financial Management

Financial Management deals with overall management of financial structure of an enterprise. It entails the optimal combination of investment, financing and profit distribution decisions to achieve the realisation of the vision, mission and goals of the enterprise. The Finance Division of MTNN is responsible for management, analysis, planning and control of the financial functions of the enterprise such as to determine internal financial position and to evaluate external factor like Macro-economic that may affect financial performance in future. The Finance Division is made up of five departments; Financial Planning, Treasury, Revenue Assurance and Fraud, Procurement and Support, Finance Operators.

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The Du Pont Analysis

This provides a summary of the financial ratios used to establish the optimal utilisation of an enterprise capital. Information from the income statement and balance sheet are combined to calculate these ratios. The income statement is a summary of the enterprise's revenues and expenses over a period of a financial year ended, while the balance sheet shows a firm's assets as well as the claims against those assets. Financial ratio is classified into Rate of return ratio, Liquidity ratio and solvency ratio. On a Du Pont chart of an organisation, the rate of return ratio is used to calculate the basic earning power (BEP), the total rate of return on assets or rate of return on total capital (ROA), the rate of return on equity capital (ROE) etc. These ratios when benchmarked with some established norms can identify the possible strengths and weakness in the financial performance of the organisation. It can be deduced from the chart above that the financial leverage factor for MTNN in the year 2012 exceeded 1, thus the leverage is positive implying that the enterprise will therefore aim at financing as much as possible of the total capital requirement with borrowed capital.

Interface relationship between IS and Finance Division

IS and Finance are interdependent on each other. While IS is charged with ensuring that financial applications and systems are constantly up and running, Finance is responsible for preparing salary and paying of staff salary using the applications and systems provided and supported by IS infrastructures. Finance equally handles all revenue generated from MTNN products and services and as such depend on IS for automated medium of real time tracking of the income flow.

Recommendation for improvement of the Interface Relationship

Lapses

Recommendations

Staff inability to predict their monthly SalaryFinance staff have a feeling of superiority over other colleaguesstringent Procurement measuresDelayed Support from ISBreach of SLA by ISFinance to maintain a stable and predictable monthly salary package for staff. Finance Staff to be sensitised on the need to discharge their duty professionally without a connotation of superiorityProcurement process should be designed to encourage staff intuitiveness and for flexibilityStrict adherence to SLAs and penalty if otherwiseSupport Structure should be made effective to minimise down time

Table 6: Improvement on IS & Finance interfaceRelationship

Operations Management

Operations management focuses on the adaptation of the concepts of capacity, scheduling, control, standards and inventory management to achieve an organisations goals and objectives towards product quality, delivery and cost performance targets. Organisation as an operating System combines one or more of the above mentioned concepts by using a range of resources to transform an input to an output such that the desired value sought by a customer is created in terms of product and services that yields profit to the organisation. Operations unit or an Operating system can be a classified in terms of function; Manufacturing, Transportation, Supply and Services or a combination of all.

Analysis of the Operations Division of MTNN

The Network Group (NWG) Division is the operations arm of MTNN, it comprises of 9 departments which are charged with the overall responsibility of planning, designing and implementation of all CoreMTNN operating System function is centred on provision of Services, thus it is an ICT Service providing organisation. The Operation division takes production input from Marketing and Strategy division as shown in figure 4 above, the inputs are then processed using the infrastructures and resources provided into a final product in the form of an output. The Marketing and Strategy division engages the Operations division on identified customers' needs which form the inputs into the NWG system, these inputs are then evaluated by NWG planning and design Unit to ascertain the operational concepts and further to that designs the desired feel and requirements of the expected finished product. The rollout team takes over from planning and design team for implementation, and then continuous optimization and support are carried out to improve the network performance after successful implementation.

How Operations Function in MTNN contributes to increase in competitiveness

The operation function contributes to increased competitiveness based on performance objectives as follows: Quality: The quality of network service provided is such that dropped calls are minimally reduced, coverage is widely spread and availability is highly maintained throughout the network. Speed: The efficient response to down time ensures that the guaranteed minimum time to handle (MTTH) is achieved. Dependability: The record of consistent service quality as Nigeria number one Telecoms giant maintained over the years has earned MTNNs finished products the trust as a dependable products. Flexibility: The provision of a range of products to suit the varying needs of customers has promoted the flexibility in the MTNN product offer. Cost: Cost as a factor was built into the performance objective of MTNN operations functions to ensure that the products cut across various economic classes in the society.

Interface relationship between IS and Operations (NWG) Division

NWG and IS interfaces in several functional area due to the fact that MTNN as an ICT company provides both telecoms and Information Technology services to the mass. IS provides the enabling platform for the activation of MTNN products, while NWG will focus on BTS installations through which the products are provided to the subscriber such as call routing, IS is focused on enabling a subscribers SIM card to be able to initiate and terminate a call on the network, IS also provide mail facilities and computing devices to NWG.

Recommendation for improvement of the Interface Relationship

Lapses

Recommendations

Strive between IS and NWG as to whose job is more essential to the businessIS user terminal policies are not well tailored to support Network group engineers. All of man hours is expended to get the computing devices fully functional for the Network engineers. Network tools such as software used by Network engineer cannot be installed without the assistance of ISFrequent social gathering should be organised to promote team bondingAn IS liaison should be domiciled in NWG to support and assist in developing favourable policies that will improve performance.

Table 7: Improvement on IS & Operation interfaceRelationship

Information System Management

The information Systems Division is a section of MTNN that provides the enabling technical support for the development of MTN's innovative services which are geared toward meeting the organisational goals. As shown in the organisational structure of figure 1 above, IS Division is made up of 5 departments which are each headed by a General Manager (GM). These departments' include; Infrastructure Services, Enterprise Service, ICT, Service Delivery and Project Management department.

Analyse how Information and Communications Technology is Utilised in MTNN

Information systems solutions, services and products are the engines for coordinating and management of business process in the entire MTNN. While Information Systems is concerned with delivery of Information Technology related Solution, NWG is charged with providing Telecommunication Services. These products and services of IS are heavily utilised and guarantees smooth operation across every division to the extent that a severe downtime of IS systems cripples the business operations of every other division. The products and services afforded by IS division ranges from the provision and support of computing devices, applications development and support, email services, provision of infrastructural platforms, Service and product designs etc.

Analyse how Application of ICT in MTNN affects the Employee

MTNN business operation is characterised by its heavy dependent on electronic means, as such the staff and the environment is cultured to operate electronically, thus affording no other choice to the employees other than to embrace ICT and considering also that the core of organisations business is ICT. On the average every MTN Staff is ICT inclined and enjoys working with the Technology afforded by the system, this is visibly applied by the adoption of the use of some applications to run the day-to-day businesses in the likes of: E-mail a service which is a means of communication and is made use of by every staff. The fleet management application made use of by every staff for vehicle request. Share portal used by every staff to access and upload information. The payroll System used by all staff for salary and tax analysis. The customer relationship systems used by sales and customer care unit. The Human Resources Information System (HIRS) used by every staff to upload and download personal HR records.

Analyse how information is collected and Managed (Tools used)

Information collection and management is a combined function of all the units in IS division, processes are put in place to coordinate the collection of information, these processes are driven by the Service management team which happens to be the researchers team. The infrasture team ensures that servers, middle wares, backup devices exist for information repository. the https://assignbuster.com/organizational-structure-efficiency-andeffectiveness-business-essay/ service delivery team develops applications and medium of collecting these information, the enterprise services designs the look and feel of the of the applications and finally the service management team and project team runs with ensuring that project time lines are met with regards to collection of the required information. Service management ensures that agreed standard are met in collecting the information and ensures that the information collected are managed as required. This is achieved by the application of ITIL processes as a tool.

Interface relationship between ICT /IS Division

IS division is same as ICT and since the researchers' functional unit is IS, and then there is no base for analysis of interface relationship.

CRITICAL SKILLS DEVELOPMENT AND AREAS OF IMPROVEMENT

(Exploring level of work in Organization, Article Business review, the University of Auckland, Judith McMorland