

Evaluating organisation values and structure



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Organization culture can be defined as a functional element of a business that comprise of organizational values, experiences and beliefs and the cultural norms of the organization. The specific collection of these values and attributes are shared by the employees within an organization and are controlled according to the level of interaction between them. The main protectors of organizational cultures are the employees within the organization and the stakeholders outside the organization. Thus this report discusses the key aspects of organizational culture and behaviour and also covers basic theories related to organizational management.

Organizational values can be attributed to the beliefs and ideas of the individuals within the organizations regarding the strategic goals. The organizational values are conveyed right from the top of the organizational pyramid to the bottom. As far as organizational culture is concerned, there are various factors comprising of the organizational culture. These factors include employees, creation of values, growth, commitment, motivation and future emphasis. Organizational values and culture influences the kind of behaviour individuals carry within a work place. Thus these are the basic concept regarding organizational culture and values.

It is a well known fact that an organization cannot succeed without a sound organizational culture and positive behaviour of the individuals comprising the organization. There are various factors that influence the behaviour of individuals and are an important part of the organizational culture. All these phenomenons and other activities such as coordination, task allocations which are collectively directed towards achieving the organizational objectives consist of the organizational structure.

Most of the organizations have organization structures comprising of the clustered entities. The structure of an organization depends of its objectives and the strategies which are formulated to achieve these objectives.

Organizational structure enables giving responsibilities for different business operations to various business entities such as department, workgroup or team, individuals and many more. If an organization doesn't have a sound structure, there are chances that it might face difficulties in achieving its objectives. We shall now discuss organizational structure and culture in more detail.

Organizations witness different cultures because they consist of different types of individuals. The culture within an organization has direct implications on its performance and also reflects its values and beliefs. If there is no alignment between the organizational culture and the company's business strategies, the company will struggle to work with full potential and satisfy the objectives of its stakeholders. There are many types of organizational cultures as suggested by various academic scholars. First of all, there can be 'Collaborate' organizational culture which is found where the workplace is open and friendly and employees share lot of things among themselves. Next is the 'Create' culture wherein the workplace is dynamic, entrepreneurial and innovative and experimentation is considered to be the driving factor for development. Then we have the 'Control' culture wherein the organization is very structured and formal and employee behaviour is governed by the set rules and procedures. Finally, we have 'Competitive' culture which is observed in the results seeking organizations with employees being highly competitive, goal-oriented and productive. Thus

these are different types of organizational cultures which have direct or indirect effects of business performance.

The main factor of organizational structure and culture that drives the performance is leadership. Leadership is characterized by the focus on internal business environment, organizational effectiveness and business results. Thus all the organizations thrive to create a sustainable and robust culture that ensures future viability of the business and enhanced performance. Figure 1 explains the main factors of organizational culture and its impact on performance.

Figure1: Organizational Culture and Performance

Factors influencing Individual behaviour

Individual behaviour within a workplace is influenced by various factors such as emotions, culture, persuasion, values, norms, ethics and personal attitudes. The main factor influencing human behaviour is the work environment and organizational culture. For example, if an employee is highly motivated within a workplace, he/she would develop a positive approach towards work and the productivity will increase along with the profits. On the other hand, if an individual faces issues such as ignorance, demoralization, corruption and unethical behaviour, this will have a negative impact of the individual's behaviour. Moreover the individual's abilities and skills, perception and personality also help in determining his/her behaviour within an organization. Thus there are the main factors that affect an individual's behaviour within an organization.

Organizational Theories

There are various organizational theories in academic literature using which the organizations survive in the competitive market. The foremost organizational theory is the 'contingency' theory which suggests that whenever the company management takes important decision, they should consider all the aspects of the company's current performance and act accordingly. Next is the 'systems' theory which considers the organizations in a broader perspective and helps in interpreting the market and anticipating the needs of customers. Then we have the 'scientific management' theory which helps in accurate measurement and monitoring of organizational tasks and also the strategies developed in order to achieve these goals. Finally there is the 'human relations' theory which supports the idea of trade unions and government regulations. According to this theory, more emphasis is given to employees and their potential in the organization.

The main culture and subculture within an organization plays an important role in the company and is also vital for its success or failure. Thus these are the basic organizational theories that play a significant role in organizational management. These theories help in every aspect of organizational management as they help in management operations such as sales forecast, performance monitoring, decision making, enhancing the business networks and so on. Thus we shall now discuss about management theories and organizational culture of two organizations namely Google and Microsoft.

Google have very different and unique approaches towards management. The main management approach of Google is effective employee handling and motivation by providing a wonderful experience at work. All Google

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employees are called as 'Googlers' and the whole organizational culture of Google is very unique. For example, employees have the liberty to comment on the company's strategies or give suggestions to the top management personals. The company management principles consider all its employees equally important for the success of the company. Googlers were allowed to carry their pets at workplace, were given free lunch and snacks and other amenities. Thus one can clearly suggest that Google's zero percent employee turnover rate is an excellent testament to its respectable organizational culture.

Moving onto Microsoft, managers here are described as 'Mentors' and employees as 'Pupils'. Mentors in Microsoft carry high profile with a wealth of knowledge and experience whereas pupils are encouraged to be hard-working and enthusiastic to take risks. Microsoft has been successful over the years by using a sound organizational structure. The company is managed by 10 Board of Directors who are elected every year. The company is sub-categorized into various teams that handle critical aspects of business. All the employees of Microsoft share the same values and beliefs and the expectations they have from the company. These shared views affect the company's performance, decision making and also team performance. Employees are allowed to grow within the company as a part of the strong organizational culture Microsoft has. Thus over the years, Microsoft has successfully used its organizational culture and resources in order to achieve its business objectives.

Thus these are the different approaches towards management of two organizations namely Google and Microsoft. There is one thing common

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between the two companies as far as the role of technology in organizational culture is concerned. Both the companies are equipped with latest technological gadgets that make it easy for them to give good performance, analyze markets, anticipate future forecasts and many more. One can clearly comment that indeed the organizational culture and sound approaches towards organizational management are the basic elements needed by the organization to have an edge over its rivals. Thus we shall now discuss about various leadership styles and their effectiveness in leadership approaches.

Importance of different leadership styles

Leadership style can be defined as the effective behaviour of leaders towards achieving team objectives and management of the team. It can also be considered as the way of giving direction to others, implementing strategies and motivating individuals. There are numerous leadership styles discussed in the academic history. We shall now discuss about different leadership styles and their importance in organizational performance. The first is 'autocratic' style where all the decision making authority lies with the leader. Here the leader doesn't pay much attention to the suggestions given to him/her and all the initiatives taken are the leader's responsibility. The only advantage here is that the leader possesses extreme wealth of knowledge and experience which is used to achieve organizational goals. Next is the 'Participative' style wherein the leader consults his/her group of team before making decisions. This is very advantageous as far as team performance is concerned. This style also helps members of the team to self motivate by taking active part in team discussions.

' Democratic' leadership style ensures that the leader takes the final decision but consults a couple of individuals regarding the decision making process. This leadership style is a sign of strength as it helps in earning the respect from employees. Finally we have the ' free reign' leadership style, wherein employees are allowed to take their own decisions. However the responsibility of the decision lies on the leaders shoulder but this helps the employees to analyze situations and determine the strategies. Here the tasks are generally completed based on the priority factor of an individual task. Thus these are some of the leadership styles that the leaders in real world carry with themselves in order to complete tasks or achieve organizational goals.

There are various factors that influence the different leadership styles within the organization. These include available time, responsibility, and possession of information, knowledge of employees, internal conflicts, and stress levels, type of objectives and finally the rules and regulations of the organization. All these factors highly influence the leadership styles in a way that there is lot of uncertainty that same style would be used for the whole process of achieving organizational objectives. Thus these are the main issues regarding different leadership styles and their effectiveness.

Motivation Theories

In order to discuss the application of motivational theories within a workplace, we shall first discuss about different types motivational theories. The first is the ' incentive' theory wherein a tangible or an intangible reward or benefit is given to the employee after completion of a particular task or exceptional services. According to this theory, the reward given to the

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employee will motivate him/her to continue giving exceptional service to the organization and develop positive attitude towards work. Next is the 'need' motivational theory suggesting that the needs and wants of a human being reflect the type of performance given by them. The fulfilment of one need motivates individuals to work harder in order to fulfil the next need or a want.

Over the years, there has been very strong relationship between the motivation theories and management practices in organizations. Motivation theories are the driving factors that positively influence the performance of individuals and hence the company. On the other hand, management theories cover effective administration as well as the business. Both these theories are interrelated and work together. For example, a manager motivates an employee by giving certain benefits or rewards for hard work and as a result the productivity of the employee goes up and so does the profits of the company. In this case, the manager applied motivation theory and the whole process comes under the management theory which includes using relevant resources in order to meet the objectives or get the work done. Moreover, if a sound motivation theory is not applied then the overall process of management has chances of not meeting the expected outcomes. Thus one can clearly suggest that indeed, the motivation theories have sound influence on the management theories within any given organization. Thus we shall now try to evaluate the nature and work behaviour of groups or teams and also discuss the factors that lead to their failure or effectiveness.

Team effectiveness and failure

A very common practice observed within many organizations is the formation and working in teams. Working in team enables completion of goals with team efforts and condensing bigger objectives into smaller individual tasks. Teams can be formed within an organization with different departments, rank of employees, based on projects and also based on abilities of individuals. In the case of team efforts, the whole team is responsible for completion of the given task and if one member underperforms then it can affect the performance of the whole team. Thus specific groups are formed in order to complete the given task in a specific manner which a single individual cannot perform.

Groups or teams have different natures or behaviours which influence their performance. The team or group can be ambitious, enthusiastic, hard-working, motivated, inexperienced, disorganized and many more. All these factors directly or indirectly lead to the team effectiveness or failure. The factors or behaviour of the team that leads to its effectiveness are high morale, motivation, energetic, high experience, well coordinated and hard working. For example, if a team has these factors then it can easily coordinate and work hard collectively in order to achieve team goals.

On the other hand, factors such as individual concerns, lack of coordination, dissatisfaction among members, over ambitious leader, low morale and lack of experience can lead to the team failure within an organization. For example, if a team has less experience and coordination among team members, then it is obvious that the performance cannot be enhanced and thus leading to the team failure. Thus these are the main factors that affect

the whole performance of the team and which lead to the team effectiveness or failure. We shall now analyze the role of technology on team functioning within an organization.

Impact of Technology on Team Functioning

In today's world, almost all the businesses are loaded with technology and make the full use of technological equipments in order to run their administration tasks. Technologies such as e-mails, mobile phones, Blackberry, groupware, computers and laptops have played significant role in improving team performance. For example, if team members are not at a same place, they can still have a communication via the e-mail. Mobile phones have brought a big revolution in the world of technology which helps team members when they are out of the office, on the road or otherwise unavailable. Groupware helps the team members to plan important meetings and collaborate in a virtual environment which can be accessed from all parts of the world. Finally computers and laptops allow team members to use internet and perform various business tasks very easily. Thus these are the main factors that have a deep impact on the team functioning.

There are so many other technological factors that influence the team performance. For example, there has been extensive advancement in the technological gadgets such as video conferencing, web cam, fax, printers, scanners and many more have direct or indirect influence on team functioning. As far as information technology is concerned, it helps the team to perform back-end operations such as monitoring sales forecast, managing customer database, conducting business through websites, using various software and many more. Information technology plays a vital role in today's

organizations and is the determining factor for the success or failure of the organization. The development of information technology over the years is showing no signs of slowing down. A region-wide Wi-Fi and nanotechnology are the latest inventions that boost all the aspects of business functionalities. Thus these are the main impacts of technology on the team as well as business functioning.

Conclusion

Thus one can clearly suggest from all the above discussions that indeed a sound organizational culture and organizational structure plays the determining factor for the success or failure of the organization. In this competitive business environment, all the companies are constantly trying to improve their organizational culture so that they can have an edge over their competitors. Employees are a very important aspect of organizational culture and thus there are various factors that influence individual behaviour at the workplace.

Thus these organizational theories underpin all the basic principles of management. The example of Google and Microsoft explained that how a sound organizational culture helped the companies to progress toward their desired goals. An organization consists of various individuals and these individuals can work together forming various teams among themselves. As we have seen, there are many factors that affect the team performance and thus a positive organizational culture will always have a positive impact on the team performance. Finally, the use of technology in recent years has been the driving factor in the effective working of a team or an individual or a company.