Implementation of organization theory and design

An organization is a defined structure in which people work together to achieve organizational goals using human, financial and material resources. Organization theory describes how organization functions, effect of environment on organization and effect of organization on environment. Organization theory can be classified under three approaches: classical, neo classical and modern.

Classical theory considers organization as a machine and human beings as different parts of machine. In this theory, work is divided into specialized tasks. Unity of command, chain of command and span of control are also there in this theory (Prasad, 2008).

Neo classical theory is a combination of formal and informal organization. It is based on human view of organization. This theory contains flat structure of organization, decentralization and informal organization.

Modern organization theory was developed in early 1960s. It takes an organization as an adaptive, dynamic and open system. This theory consists of two theories. According to system theory, productivity is considered as an interaction of people, structure and environment. Contingency theory describes that there must be a match between organizational structure and its environment to enhance performance (Prasad, 2008).

Organizational design depends on various factors such as environment, strategy, people, size and technology.

On the basis of above description of organizational theory and design, we have come to know about the organization, its functions, its effect on

external environment, effect of external environment, organization design and structure.

Modern theory with system and contingency theory is generally acceptable in present scenario. So in the interview, I will tell the interviewer that I have learned about the organizational theory and design and I have learned that flat structure, dynamism, combination of formal and informal behavior, decentralization and broader span of control are the characteristics, which must be applied in an organization (Organization Theory and Design, 2008). In present scenario, we can not take organization as a closed system because organization affects the external environment and gets affected by external environment. Decentralization refers to the delegation of power among managers. Flat structure provides better communication between all the levels of management. Span of control should be wider enough because it helps in proper management of workforce. The success of an organization highly depends on coordination of its various resources like human, financial and material.

I have properly understood the factors, which are very critical in organizational structure. I will keep an eye on the external environment to go with recent trends. I will also concentrate on a suitable strategy to maintain relations between all the elements, which decide the organizational success. Apart from these two things, the use of new technology, size of organization and proper handling of people will also be considered.

References

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