Organizational Behavior

Introduction

The 21st century business environment has become more competitive owing to increased globalization and liberalized economies. The economic vulnerability coupled with the threat of competition is continually forcing small-sized business establishments to either integrate vertically or merge in order to increase their capacities, efficiency, and competitiveness. However, central to these organizations’ success even after this merging lays the indispensable role of organizational behavior (Elangovan et al, 2010). It is prudent to note that organizational behavior lays the foundation for groups and individual interactions within an organization, which has a potential to make or destroy organizations. This makes organizational behavior crucial in determining organization’s effectiveness. This behavior accumulates over time to create a highly respected organizational culture, which is usually a network of values and relations dictated by organizational structure (Gundry and Rousseau, 1994). This paper will present analysis of the CoachingState case where critical comparison of organizational culture and structure of small businesses against that of middle sized-companies will be presented. Using this knowledge, the apt organizational culture relevant to CoachingState will be presented and a justification for the choice made. Adept analysis of the relationship between organizational culture, structure, communication process, and knowledge will also be evaluated. As Jane’s adviser, I will
present responsibilities that need delegation to lecturers, marketing managers, coaches, and it managers. Recommendations will be backed by appropriate motivational theories.

Synopsis of the Case

Seven small-sized coaching companies having realized their insufficiencies have come together to form CoachingState a new middle-sized organization anchored of provision of accredited training to business coaches. Jane is the director of the CoachingState with twenty-one lecturers, and an information technology manager being the rest of the staff. It is prudent to note that Jane’s experience in middle-sized companies is inherently low owing to the fact that she worked alone making where she used to be the sole decision maker. Now things have changed, and with entry of middle-sized level, delegation is mandatory. She is new to all these management dynamics that why an advisor (me) is needed to offer direction and advice to Jane.

Organizational Culture and Structure: Small Business versus Middle Sized-Company

According to Fard et al (2009), organizational culture is an amalgamation of behaviors, values, and code of ethics that are unique to an organization generating and inherently concrete psychological and social environment for an organization. Philosophy, expectations, values, and experiences are crucial ingredients of organizational culture, which are anchored on the need to hold the organizations together, improve efficiency, boost image, propel goals, and model future of the organization (Jan, 2005). The role played by organizational culture remains irreplaceable because of the viability of customs, attitudes, unwritten rule and beliefs in either modeling or destroying an organization. Organizational structure is the framework used in organizations governance; culture and structure are highly integrated and function as a unit. It is prudent to note that organizational culture and structure in small businesses varies from middle-sized ones despite their being overlapping similarities.

The Factor of Organizational Culture

Organizational culture is a factor of organizational structure. The structure adopted by a company defines the culture to be cultivated. Generally, there are different organizational cultures adopted as a factor of size and organizational structure. These include clan, adhocracy, hierarchy, and market (Line, 1999). Small sized companies are better assuming clan and adhocracy cultures while middle-sized companies can adopt adhocracy, hierarchy, or market cultures. In clan culture, the focus of the organization is actualization of flexibility, concern for people, internal maintenance and sensitivity of clients. All employee interactions are centered on this foundation. Cohesiveness,
teamwork and overall participation are the focus of every employee and teamwork. Employee commitment is achieved through participation. Personal satisfaction is more important than financial goals. This is one of the greatest differences between small sized companies and middle-sized ones because the focus of middle-sized companies is anchored on financial prowess. Adhocracy culture focuses on external positioning where creativity, entrepreneurship, and adaptability are crucial values geared at unearthing new unique services or products. Hierarchy focuses on internal maintenance, control and foundation on observation of order and regulations (Koley and Meredith, 1997). On the other hand, market culture is centered on external maintenance anchored on need for control and stability and control. Goal achievement and competitiveness are the principal goals of this organization. Responsiveness to market and productivity are crucial and every decision made is geared on improving these (Flaherty, 1999). Small sized companies lack the zeal for external competitiveness and this forms a difference in culture adoption. The underlying similarity between small and middle-sized companies is that the culture chosen has an overall effect on performance and productivity. This is because the principal impact of the chosen culture is modeling of performance, provison of priorities on product quality, customer care and safety.

It is prudent to note that small-sized companies are mostly anchored on informal cultural approaches making them seem more relaxed (Flaherty, 1999; Koley and Meredith, 1997). This has a consequence of having less written directions on the mode of operations since the directions come from the person in charge. In middle-sized companies, the culture demands that there be written demands for every job group that need to be fulfilled. This is anchored on the reality that the expanse nature of the firm cannot allow personal command and direction at every time. The level of management’s role and involvement in daily operations forms a major difference in small and middle-sized organizational cultures (Fleming, 2009; Scholz, 1995). For operations, small-sized management has to give direction on daily basis while on middle sized ones every employee knows their roles, the unifying goal, and the consequences of not meeting output benchmarks. This renders the role of management as supportive. This culture is highly profitable as the room for growth and innovation leads to impeccable results.

The Factor of Organizational Structure

Organizational structure is the pre-defined chain of command or framework used in organizations governance and flow of information that is crucial in decision-making. This structure differs greatly in the business realm depending on whether it is in small-sized and middle-sized organizations (Martinez and Garcia, 2011). In the business realm, there are two principal organizational structures namely decentralized and centralized systems. In centralized structures, single individual usually the
proprietor undertakes all crucial decisions regarding the running and development of the organizations. This seems to be the structure Jane had impeccable experience prior to the assumption of the work at CoachingState. Decentralized structure has several individuals within the organization playing the crucial role of decision-making. Each individual is responsible for an allocated department. All small size businesses have centralized organizational structures while middle-sized companies have decentralized structures (Schein, 1990). The central consideration in this difference is the magnitude of operations in middle organizations that make them incapable of being tackled by a single individual. This decentralization plays a crucial role in delegation of roles; thus, catapulting this approach into an item in organizational culture of middle-sized organizations.

Small-sized organizational structures have a formal culture that is highly stressful owing to their inability to accommodate diversity. On the other hand, decentralized structure is highly labile with interpersonal interactions paying a crucial role in molding the culture of the organization. The similarity between small and middle-sized organizations in terms of structure is that they all require managers to sit down and write formal business documents. Moreover, it is prudent to note that structure is not fixed; it evolves with time as business grows regardless of whether its small sized or middle sized. Making the centralized or decentralized structure is six substructures that are ascribed by organizations depending on need at hand. These include, pre-bureaucratic, bureaucratic, post-bureaucratic, functional, divisional, and matrix organizational structures. Each of these structures is chosen depending on the size of the organization with the simplest small-sized organizations adopting the pre-bureaucratic and diverse huge organizations adopting the matrix structure.

Apt Organizational Culture for CoachingState

CoachingState will be succinctly served by market organizational culture. This culture promotes a highly competitive environment where the rush for result drives every employee and the management. The fact that this culture is compatible with decentralized approach of middle-sized companies makes it adept for CoachingState. In market culture, employees are goal oriented and competitive. Despite the decentralization, the leaders are highly demanding, productive, and hard driven (Singh, and Schick, 2007). This insatiable desire for success and winning the game of financial stability unifies the whole group with employees and managers working in an open relationship only defined by the organizational structure.

Owing the vibrancy of the private sector, reputation and success are highly correlated and market culture tries to merge these to ensure success. The long-term goals of a market culture are anchored on realization of measurable outputs and competitiveness. CoachingState is more concerned with market share and penetration
of its services as informed by the decision of the seven companies’ action of merging. The need for improved financial prowess, stability and market penetration is vividly elaborate. Considering market approach is anchored on these principles makes it the best candidate for CoachingState (Wagner and Hollenbeck, 2009). With market culture, a competitive pricing approach will be adopted. Lecturers, IT expert, and the director of the CoachingState Company will be better placed if they focus on goals and making of the best decisions to achieve them. This informs the adoption of a decentralized structure whose organizational culture is founded on the principles of market approach. It is prudent to note that knowledge and communication process are crucial ingredients that determine an organizational culture, however they are a function of organizational structure. This means that organizational culture, structure, communication process, and knowledge are interrelated and their interactions are geared at ensuring adept delivery of firm’s outputs.

Justification of Market Culture As Appropriate For CoachingState

Accredited business coaches training is a highly competitive realm. Considering that CoachingState has recently been establish functions as one of its greatest misgiving. The need for reputation and competitiveness drives this industry. There are qualities that CoachingState is inherently missing. To cultivate recognition the collaboration of the efforts of Jane, the twenty-one lecturers and the IT manager need to be directed toward fulfilling the insatiable desire to make a name and earn financial stability. Among all the organizational cultures compatible with decentralized structure of a middle-sized company, market culture is the best fit in the case of CoachingState. Market culture at CoachingState will among other things,

- Propels acceptance of diversity and appreciation of all employees regardless of their level in the organizational structure
- It will foster impeccable communication levels both horizontally and vertically, which are crucial to increase productivity and cooperation towards goal actualization
- Promote employee enthusiasm and pride owing to leeway to work on multiculturally-diverse environment where delegation of duties makes them feel important
- Would offer equal chances for all employees to actualize their goals and foster coaching expertise needed to unearth a highly competitive advantage for CoachingState
- It will provide Jane with strong sense of direction and feel supported by the adept decision making capabilities of the rest of the staff working under her
It will propel investment in the realms of training and learning to increase competitiveness of CoachingState and increase market presence in this rather competitive industry.

All these positive impacts of market culture are unrivaled by any of the other organizational cultures; thus, making it apt for coaching state. However, despite the foreseeable benefits of adopting market culture as the principal organizational culture for CoachingState, the problems created by this ascription to academic school of motivation are inherently high (Wagner and Hollenbeck, 2009). In the present day world interaction with peers is highly mutual; however, interacting with supervisors/managers or other senior co-workers at equal platforms is highly trivial. The emphasis of respect by market cultural approach by employees will create a big obstacle for Jane and his team. This is considering the fact that lecturers are academicians whose ranking from doctorate holders to professors commands immeasurable respect. The free airing of views during meetings might not be realized; thus, derailing cultivation of a highly performing team that is needed to operationalize CoachingState.

Delegation of Responsibilities in CoachingState

The 21st century businesses are faced with immeasurable performance challenges that require apt responsiveness, impeccable quality, and adequate speed which are only achievable through teamwork. Although delegation is crucial step in unearthing growth potential, teamwork in diversity needs to be fostered, an eventually only achieved through ascription to motivational theories (Youngwirth, 2010; Vidal et al, 2012). For efficiency purposes, division on labor is crucial in CoachingState, which will enable Jane to delegate most of the functions of the organization to several managers working under her. Lecturers, coaches, marketing manager, and IT manager need to have apt defined roles whose inputs are building blocks of the team’s goals set before the seven companies merged to form CoachingState. To achieve optimum results, there should be,

- Delegation of information technology aspects of the business coaches mentoring programs to the IT manager who would coordinate with employees working under him to ensure benchmarks are met. The IT manager will make crucial decisions regarding this department before Jane receives directions on what the department is undertaking.
- Delegation of theoretical approaches to business coaching, motivational programs and theories, need for cultural difference tolerance, and knowledge acquisition to the lecturers manager. This manager would then share these duties to different lecturers depending on expertise and experience. Moreover, the consideration on the number of clients would play a crucial role in decisions making by the lecturers manager.
v Delegation of the advertising, cooperate social responsibility, customer care, and public relations roles and other marketing initiatives of CoachingState to the marketing manager. This manager will use the results of the CoachingState to create an impeccable reputation for the company, which is crucial for the operations.

v Delegation of the decision-making on the appropriate time and approaches to coaching to the coaches and the clients. These two groups need to come to an agreement because their interaction is at the core of survival of the coaching industry.

It is prudent to note that the principal role of a business coach is coaching business owners to poses apt support, guidance, encouragement, and accountability to run their organizations profitably (Clough, and Strycharczyk, 2012). The coach uses the clients’ strengths and weaknesses to strike a balance while using academic and practical approaches to management.

Owing to the inability to overrule overlaps in the delegated responsibilities, Jane needs to use Thomas Kilmann Conflict Management theory to mitigate any conflicts arising between lecturers, coaches, and the IT segments (Altmäe et al, 2010). This would foster cohesion in CoachingState thus catapulting this organization into a highly efficient organization whose decentralized system is anchored on mutual interdependence of the departments. Management of a team of intellectuals is highly complex undertaking (Vidal et al, 2012). Even with the proposed sharing of responsibilities, the employees of the CoachingState are inclined to have inherent needs that without their satisfaction would lead to blurring of the overall goal. As such, application of the McClelland’s Theory of Needs to aptly accentuate CoachingState employee needs into affiliation, achievement, or power, would help functionalize the delegated roles (Harrell and Stahl, 1981). This need-evaluation of the departments is anchored on the academic revelation that personal effectiveness plays a crucial role in team goals and this personal effectiveness is founded on the paradigm of motivation (Arnolds and Boshoff, 2003). With relevant motivational ques, employees are capable of outdoing their potential to achieve group goals. Abraham Maslow’s hierarchy of needs plays a crucial role in ensuring that the level of employees needs is identified and met in order to ensure maximum satisfaction and the subsequent delivery of excellent results at work place. In deed, delegation is an adept avenue to actualizing this satisfaction and motivation in middle-sized organizations like CoachingState.

Motivating Through Delegation

Delegation reduces workload from the Jane (the director) making her capable of focusing on other critical issues regarding operations of the CoachingState. It is prudent to note that delegation is a crucial tool in motivation in that it offers appropriate ground for manager and subordinate relationship development (Battles, 2005). Delegation shows trust on the subordinates and they would make all efforts not to betray this trust. This flow of authority from the top manager to the lecturers, coaches,
IT and marketing managers would ensure that meaningful personal and professional relationships are concocted. Moreover, delegation of authority in a principal tool that offers space to nurture skills in areas of specialization. Subordinates get a chance to furnish their skill with a high degree of pride. This functions as a motivation to their work and they are likely to work harder than if the tasks were not delegated. One of the greatest challenges in subordinate jobs is monotony in activities. Delegation helps break this monotony owing to the room to develop skills. Additionally, this results into adept job satisfaction that generates unity in firms and moots successful supervisor-subordinate relationships. Through delegation, managers are also nurtured on supervision skills, communication aptness, effective motivation approaches, supervision and other leadership traits. Consequently, this delegation of responsibilities will not only be beneficial for CoachingState, but also for Jane who is new in management of middle-sized companies. Using the principles of expectancy theory, it is vivid that a person’s decision to exhibit behaviors is a factor of the anticipated outcomes (Wagner and Hollenbeck, 2009). Delegation helps eliminates the barrier that makes employee loose morale in their jobs. Since delegation will allow them enrich their skills, curriculum vitae, exert authority and be accountable for their departments, this is motivation enough that is fueled by the accolades of expectancy theory. It is prudent to note that delegation is an avenue of bringing stability, capability and sound operation within an organization.

Conclusion

This paper sought to present and analysis of the CoachingState case where critical comparison of organizational culture and structure of small businesses against that of middle sized-companies was to be presented. Small sized organizations can adopt either clan oradhocracy organizational culture while middle-sized companies can adopt adhocracy, hierarchy, and market organizational cultures. A merging of these culture with the adept organizational structure creates and impeccable organizational behavior that molds operations, personal relations, knowledge acquisition and communication channels within an organizations. These are crucial in successful articulation of the goals. Small sized companies are better suited by centralized organizational structures while decentralized structures are adept for middle-sized organizations. CoachingState is better suited by market culture that would propel its leadership and employees to the much-needed competitiveness in the industry of business coaching. Using delegation as an approach to motivation, Jane will manage to offer recognition to subordinates and improve their efficient that would propel CoachingState to greater heights.
References


