



**BACHELOR OF MANAGEMENT STUDIES HONOURS DEGREE
IN MARKETING MANAGEMENT
2024/25 – LEVEL03– 1st SEMESTER**

OSU3401 – PRINCIPLE OF MANAGEMENT

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| Name of the Student | : D M L M DISANAYAKA |
| Student Registration number | : 524685890 |
| Student OUSL Email ID | : s24014305 |
| Student Contact number | : 0718770594 |
| Word count | : |
| Date of submission | : 2025.03.15 |

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Question One

Assume that you are planning to start a new business on your own. In that context, develop an organizational structure for your intended organization. Draw your proposed organizational chart and tell us how you are going to implement the different aspects of organizing such as specialization, departmentalization, delegation of authority, chain of command, span of control, coordination, handling formal and informal communication etc. Further, tell us how you are going to motivate employees in your organization using the knowledge of motivational theories. You can enrich your answer by explaining how these elements are operationalized, what challenges you may encounter in those stages, how you can face them etc. Try to think and apply the concepts in a much practical way. (You may provide a brief introduction to your imagined business organization in the first part of your answer).

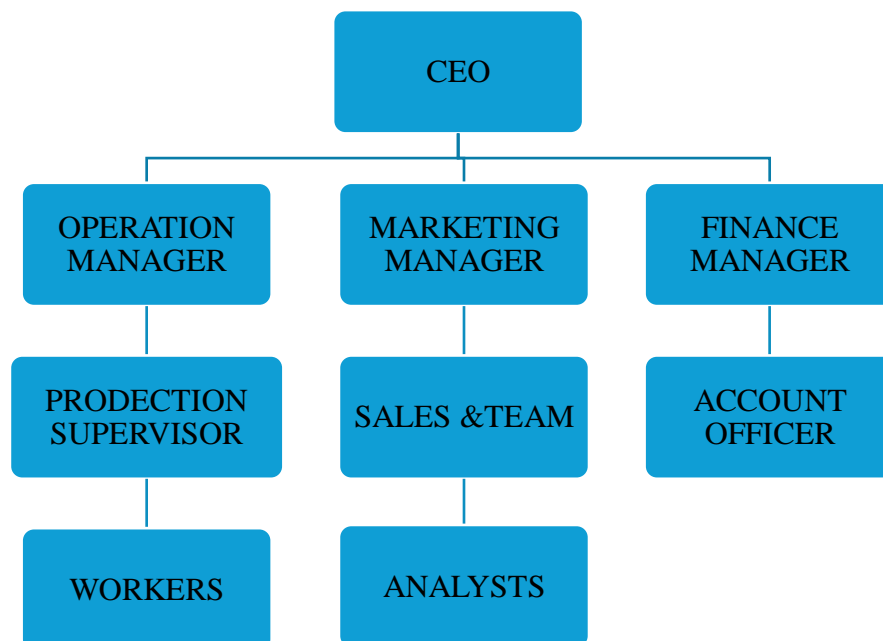
INTDUCTION

I am planning to start a textile manufacturing company called "GREEN STYLE ltd" The core vision of GREEN STYLE Ltd. is to produce high-quality, eco-friendly textiles for the domestic and global market. The company will focus on sustainability by using biodegradable materials, minimizing water usage, and adhering to ethical labor practices. GREEN STYLE ltd will cater to various customer segments, including fashion brands, corporate clients, and individual consumers.

PROPOSED ORGANIZATIONAL STRUCTURE

GREEN STYLE ltd will have a functional organizational Structure as its organizational structure A manufacturing organization would benefit most from this of structure since it enhances Efficiency and knowledge by grouping personnel according to certain functions.

THE ORGANIZATIONAL CHART



Implementing the Aspects of Organizing

1. Specialization

Every department will concentrate on its own field of competence. For instance, the operations team will be in charge of quality control, production procedures, and the acquisition of raw materials. The marketing staff will be in charge of consumer relations, branding, and advertising. Payroll, financial reporting, and budgeting will be overseen by the finance team.

2, Departmentalization

The business will be divided into departments according to its functions: Operations Department: Oversees supply chain logistics and production. Marketing Department: Concentrates on promoting the brand and acquiring new customers. The Finance Department is in charge of the business's compliance and financial well-being.

3) Delegation of Authority

Authority will flow from the top (CEO) to department managers, who will delegate tasks to their respective teams. For instance, the Operations Manager will assign specific production tasks to supervisors, who in turn will oversee workers.

4. The Command Chain

Accountability and communication are guaranteed by a well-defined chain of command. Workers will be aware of who to ask for advice and report to. For instance: Employees are answerable to production supervisors. The Operations Manager is the person to whom supervisors report. The CEO receives updates from the operations manager.

5. Span of Control

The span of control will be constrained in order to preserve efficiency: To prevent overwork, each manager will supervise no more than five or six direct subordinates.

6. Coordination

To guarantee efficient coordination, regular interdepartmental meetings will be held. For example, the marketing team will work with finance to budget marketing campaigns and with operations to schedule production.

7. Handling Communication

Formal Communication: Formal communication will be conducted through structured meetings, official emails, and monthly reports. Informal Communication: To improve connections among staff members, the organization will support team-building exercises.

Employee motivation is essential to Eco Threads Ltd.'s success. To keep workers interested, I'll combine a few motivational theories:

1.Maslow's Hierarchy of Needs

- Physiological Needs: Fair wages, a safe working environment, and health benefits.
- Safety Needs: Job security, clear career progression plans.
- Social Needs: Team outings, celebrations of achievements.
- Esteem Needs: Recognition programs like "Employee of the Month."
- Self-Actualization: Opportunities for skill development and innovation.

2.Herzberg's Two-Factor Theory - Hygiene Factors: competitive pay, job security, and a clean workplace.

- Motivators: Rewards for outstanding performance, difficult tasks, and career advancement.

3. Equity Theory

Maintaining trust and motivation among employees can be achieved by making sure that workloads, pay, and recognition are all fair.

4. Expectancy Theory

When workers feel their efforts will result in performance and that performance will lead to desired incentives, they will be more motivated. This belief will be strengthened by measurable achievement and attainable goals.

Solution: Conduct training sessions to help employees adapt to new technologies and processes.

Challenge: Communication Barriers

Solution: Use modern communication tools like Slack and Zoom for seamless interaction.

Challenge: Maintaining Motivation

Solution: Conduct regular employee feedback sessions to understand and address their concerns.

Question Two

The landscape of business management is constantly evolving at an unpredictable pace. Some argue that planning is crucial in this context where some argue that planning is not worthwhile in the contemporary environment. Explain your stance on this argument highlighting the importance, challenges, barriers, criticism of planning utilizing practical examples.

The contemporary business environment is characterized by rapid technological advancements, globalization, and unpredictable economic and political shifts. While some argue that planning is futile in such a dynamic context, I strongly believe that planning remains a cornerstone of effective business management, provided it is flexible and adaptive.

Importance of Planning

1)Setting Objectives

Planning aids companies in defining precise, quantifiable objectives. An organization such as Tesla, for example, establishes yearly production goals that are in line with its overarching objective of hastening the shift to sustainable energy.

2)Resource Allocation

Planning enables the effective use of resources (money, time, and labor). For instance, pharmaceutical corporations reallocated R&D money and staff resources to concentrate vaccine research during the COVID-19 epidemic.

3)Risk Management

Planning enables businesses to anticipate potential risks and prepare contingencies. Companies in disaster-prone regions, such as Toyota in Japan, maintain detailed risk management plans to mitigate disruptions.

4)Guidance and Coordination

Employees use planning as a road map to make sure all teams are working toward the same goals. For example, Apple's design, engineering, and marketing teams work together in a well-planned product development process.

Challenges of Planning

1)Uncertainty in the Environment

Plans may become outdated due to quick changes in rules, market conditions, and technology. For instance, Nokia's demise was caused by its incapacity to modify its strategy in response to the smartphone revolution.

Solution: Use dynamic planning models that are updated often, such rolling forecasts.

2)Overreliance on Assumptions

Planning frequently depends on projections that might not take unanticipated circumstances like the 2008 global financial crisis into consideration.

Solution: To be ready for a variety of potential outcomes, incorporate scenario analysis

3)Resource and Time Intensity

Comprehensive planning requires significant time and resources, which small businesses may lack.

Solution: Use simplified frameworks like SMART goals or Lean Planning techniques.

Barriers to Effective Planning

1)Resistance to Change

Employees and management may resist plans that disrupt existing workflows. For example, Kodak resisted adapting its plans for digital photography, resulting in its bankruptcy.

2)Inaccurate Data

Poor data quality can lead to ineffective plans. Businesses relying on outdated customer data may miss emerging trends, like the rise of e-commerce platforms during the pandemic.

3)Short-Term Focus

Many companies prioritize immediate profits over long-term planning. For instance, companies that failed to invest in renewable energy face challenges as sustainability becomes a global priority.

Criticism of Planning

1) Rigidity

Planning, according to critics, can result in rigidity, particularly in erratic markets. In times of crisis, an over-reliance on pre-established plans may impede prompt decision-making.

Example: many firms failed during the dot-com bubble because their inflexible plans were unable to adjust to the realities of the market.

2) Stifling Creativity

Excessive planning may discourage innovation by imposing strict guidelines. For example, companies with bureaucratic planning processes may struggle to compete with agile startups.

3) Planning Paradox

As planning becomes more detailed, it may take too long to execute, making it irrelevant in fast-paced industries like tech or fashion.

My Stance: Planning with Flexibility

I believe planning is essential but must be approached with adaptability and agility. Modern businesses can use tools like:

Agile Planning Frameworks: Adopt iterative plans, especially in industries like software development (e.g., Scrum).

Scenario Planning: Create multiple plans for different potential futures, as done by Shell Oil to anticipate energy market shifts.

Contingency Planning: Prepare for uncertainties, such as natural disasters or cyberattacks, as seen in Amazon's robust logistics strategies.

Practical Example: Planning in Action

A real-world example is Starbucks. Despite global economic volatility, Starbucks uses flexible planning to adapt its menu and store designs to local tastes while maintaining its global vision. Its ability to plan long-term expansions and adjust short-term strategies (e.g., introducing delivery services during COVID-19) demonstrates the importance of adaptive planning.

Conclusion

In conclusion, planning is still an important part of running a business, even though it can be difficult and has some critics. To succeed in today's business world, it's important to balance careful planning with the ability to adapt and be creative. Companies that plan well are better prepared for unexpected challenges, can use their resources wisely, and are more likely to succeed in the long run.