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Cs282-6767/2013

QUESTION ONE

It's tough to be the little guy, especially when one of the big guys becomes your direct competition. But at Hangers Cleaners, an offbeat image and good customer service helped them pull through when P&G opened eco-friendly dry cleaners in the same town. Hangers differentiated itself through van delivery service, funny t-shirts and hangers, as well as social networking. The company also spent time connecting with the community by partnering with local businesses and charities. Instead of out-pricing or out-spending P&G, Hangers embraced its personality and adopted a culture of excellent service that customers found value in. As a result, Hangers has experienced growth while other local dry cleaners have reported flat or declining revenues.

1. Describe the essence of an organizations complex environments (5marks)

For any organization to survive it needs to have an interaction with its environment. This is evident when we consider perfectly closed systems, they die after a while since they ignore their environment. A system’s environment is its source of input and feedback – both are necessary for the system to perform its functions accordingly. Feedback is used to improve the successive output from the system thus generally improving the system’s performance and output quality. Moreover, the environment provides crucial information needed for the improvement of services offered by the system. Any minute changes in the environment will affect one or two attributes in the system.

1. How did the external environment contribute to Hangers growth? (3marks)

Hangers Cleaners had a deep rooted relationship with its environment or in this case, community. This is clearly visible from the fact that the community found value from the unique services offered by the cleaning service. Other than this, the community was a partner of Hangers Cleaners, this is by virtue of partnering with local businesses and charities. This means it was a vital system in the mentioned environment. This is true especially when it comes to charity. Thus as other dry cleaning services failed due to the entrance of P&G into the market, the environment supported the survival and growth of Hangers Cleaners.

1. Differentiate between open systems and contingency approach management theory (5Marks)
2. Open systems approach emphasizes on the interdependence and interaction among sub-systems whereas the situational approach emphasizes the impact of environment on organizational design and managerial style.
3. In open systems the focus is on internal environment and sub-systems of the organization while contingency approach focuses on the external environment of the organization.
4. Systems approach treats all organizations alike and the background of the organization is not taken into account whereas contingency approach treats each organization as a unique identity since each organization is different and they face different contingency variables- different situations.
5. Systems approach provides a theoretical model of understanding the organization and its sub- systems whereas contingency approach suggests practical solutions to organizational problems.
6. Systems approach is silent on the validity of classical principles of management while contingency approach rejects the blind application of classical principles of management.

QUESTION TWO

1. It is appropriate to reflect on various types of leadership before defining. Explain. (5marks)

NO, it’s not appropriate to reflect on various types of leadership before defining. Leadership is the process of inspiring, influencing, and guiding others to participate in a common effort. However, in today’s highly interconnected world, leadership extends beyond the office door or factory gate. Leaders bear the responsibility of guiding a host of constituents toward the accomplishing of an overarching goal, whether this be leading employees toward greater productivity, guiding suppliers toward a better understanding of ways to cooperate in order to better serve the firm’s customers, or helping investors appreciate the firm’s strategy and how

achievement of that strategy will result in enhanced shareholder value. All require a solid grounding in a vision that guides the leader and, ultimately, the organization toward better performance.

To encourage such broad participation, leaders supplement any authority and power they possess with their personal attributes, imagination, and social skills. Colin Powell, a leader admired in both military and civilian circles, offers his own definition:

“Leadership is the art of accomplishing more than the science of management says is possible.”

1. Describe the trait theory (3marks)

Trait theory is an approach to the study of human personality i.e. the measurement of habitual patterns of behavior, thought and emotion. According to psychological thought, the fact was accepted that leadership traits are not completely inborn but can also be acquired through learning and experience. The average person who occupies a position of leadership exceeds the average member of his group in the following respects; intelligence, scholarship, dependability in exercising responsibilities, activity and social participation, socioeconomic status.

QUESTION THREE

1. Line organizations refer to direct chain of command from top to bottom. Discuss. (5marks)

Line organization, also referred to as Vertical organization or departmental organization is the oldest form of organization. The structure assumes that the direct authority is exercised by a superior over his subordinates. The flow of authority is always downwards and is based on a scalar basis.

J.D Mooney and A.C Reiley introduced the idea of line organization. They pointed out that “the degree of authority exists in all organization as on uninterrupted scale or series. The basic of scalar organization is that in any organization there must be a series of superior and subordinates relationship from top organization to the very downward structure of organization.

Advantages.

1. Simplicity.It is the simplest form of organization and very simple to understand and implement. It can be easily define and explain to all staff.

2. Responsibility is fixed. In this form of organization responsibilities are fixed and defined. Every person is crystal clear to whom he is answerable and who are accountable to him. In this type of organization shifting of responsibility is not possible because responsibilities are fixed.

3. Unified Control. Good control, direction and direction is possible in line organization because of fixed responsibility. Lower level personnel favorably react to simple the multiple authority.

Disadvantages.

1. Over loading. The executive is overloaded at each level of organization. There are several things he must manage independently. Here his level of efficiency is not the same that is why most of the time the organization activities suffer due to overloading.

2. Lack of Specialization. Different types of jobs are looked after, supervised and control by executive. It is physically not possible for him to learn and acquire the skills of the jobs he looks into and at the same time be able to do justice to each job. He cannot claim to be an expert in all types of jobs he handles. Today complex business and industrial organizations need specialization. If unfortunately it is not there the attainment of objectives may not be smooth.

1. Simple structure and machine bureaucracy (4marks)

A simple organizational structure is the default operating system used by most small businesses, because it centralizes decision-making with the owner. Unlike other organizational structures, the simple, or flat, structure doesn’t have formal departments and layers of management. This method of running a company has advantages and disadvantages, and understanding them will help you operate under this system more effectively, so that you can prepare for a transition to a more formal structure. Unlike simple structure, Machine bureaucracy refers to a management structure that functions with a high degree of formalization and specialization. In an organizational setting, machine bureaucracy comes out when the decisions are made at top (management) level and mechanically trickled down to the lower levels while simple structure is the structure mostly used by up and coming businesses, as it centralizes the decision making process to the owner.