# uc3m Universidad Carlos III de Madrid

## Organizational Design

Academic Year: (2023 / 2024) Review date: 09-05-2023

Department assigned to the subject: Business Administration Department

Coordinating teacher: GUTIERREZ CALDERON, MARIA ISABEL

Type: Compulsory ECTS Credits: 6.0

Year: 3 Semester:

#### **OBJECTIVES**

The course provides an updated perspective of the major developments of the management thinking, the main organizational design parameters that shape organizational structures, and strategic decisions in organizational design.

Students will thus acquire an overview of most of the major issues in this field, including:

- the basics of major theories of organization
- the analysis of the main roles of the executives
- the key coordination mechanisms in the organizations
- the main parameters of organizational design
- Analysis of the main contextual factors that affect organizations
- Analysis of possible strategic decisions can be formulated in the organizational area.

To develop the following skills:

- Capacity for analysis and synthesis of real cases occurred in businesses and other organizations.
- Ability to work in groups to analyze in depth real organizational cases and present the results of the analysis to the audience with the media support (presentations, video, etc)
- Ability to rigorously analyze and publicly discuss cases of organizational design.

Promote the following attitudes:

- Critical Thinking.
- Ability to defend their point of views
- Develop the ability of understanding and accepting alternative points of view.

## **DESCRIPTION OF CONTENTS: PROGRAMME**

## PART I: INTRODUCTION

- 1. Organizations as field of study
- 1.1. The Classical theories: Taylor and Fayol
- 1.2. The Human Relations School
- 1.3. The contingency approach
- 1.4. The modern organizational theories
- 2. The business management
- 2.1. The management process
- 2.2. The Manager is job
- 2.3. The organizational design as a manager role

## PART II: ORGANIZATIONAL STRUCTURE

- 3. The organizations as coordination mechanisms
- 3.1. Introduction
- 3.2. The coordination mechanisms
- 3.3. The basic parts of the organization
- 4. The design of the microstructure: the job
- 4.1. Two-factor theory of human motivation (Herzberg's motivation-hygiene theory)
- 4.2. Scope and content of a job
- 4.3. The Taylor's intervention on the content of jobs: specialization
- 4.4. The redesign of jobs, rotation, enlargement and enrichment
- 4.5. The semi-autonomous groups of production
- 5. The design of organizational units: Departments
- 5.1. Basis for Decentralization
- 5.2. Criteria for assigning activities to departments
- 5.3. Types of departmentalization in different parts of the organization
- 5.4. Coordination units: commissions
- 5.5. Structural coordination: matrix design

PART III: CONTEXT, ORGANIZATIONAL STRATEGY AND STRUCTURE

- 6. The influence of contextual factors
- 6.1. Universalist theories versus contingency theories of organizational design
- 6.2. Age and size
- 6.3. Technology
- 6.4. Environment
- 7. Organizational strategy
- 7.1. Tall structures vs. flat structures
- 7.2. Centralization and decentralization
- 7.2.1. The delegation of authority
- 7.2.2. Outcomes of centralization or decentralization
- 7.3. Structural Formalization: degree of bureaucratization
- 7.4. Vertical integration
- 7.5. Divisional Structure

#### LEARNING ACTIVITIES AND METHODOLOGY

The learning methodology will include:

- 1. Lectures, which will present the knowledge that students should acquire. Students will receive lecture notes on the course webpage in ¿Aula Global¿, and basic bibliography will allow them to complete and examine those issues which are more interested.
- 2. Discussion of case studies, videos, newspaper clippings, etc to be provided by the professor through the Aula Global. Prior to the analysis and discussion of case studies in the classroom the student must analyze the cases individually. Later, the student must participate actively in the discussion and presentation of the cases proposed, and the solution of specific problems. The cases and the news are related to the three parties that comprise the program of the course.
- 3. Making a team work throughout the course of one of the items previously selected by the teacher and will be evaluated after public exposure.

Thus, knowledge skills and attitudes will be acquired by students through lectures and practical classes the implementation of resolution of cases. The skills will be worked through individual and group work by students. The 6 ECTS credits of the course is divided into: 3 credits assigned to classes, 2 relating to individual work and participation in the activities of the course, and 1 credit for the development of team activities

### ASSESSMENT SYSTEM

The final assessment of the course will be held as follows:

- A final exam (which will represent 40% of the final grade). At least, 3.5 points (over 10) are requiered to pass this subject.
- Exercises, written case studies and presentations in the classroom: 40%
- Group final project and its presentation 20%

% end-of-term-examination: 40 % of continuous assessment (assignments, laboratory, practicals...): 60

#### **BASIC BIBLIOGRAPHY**

- HALL, R. (2005): "Organizations: Structures, Processes, and Outcomes"., Pearson Prentice-Hall..
- MINTZBERG, H. The structuring of organizations, Prentice-Hall International, 1979
- MINTZBERG, H. Mintzberg on management, The Free Press, 1989