

Organizational Design

Academic Year: (2024 / 2025)

Review date: 22-04-2024

Department assigned to the subject: Business Administration Department

Coordinating teacher: PIAZZAI , MICHELE

Type: Electives ECTS Credits : 6.0

Year : Semester :

OBJECTIVES

This course provides an introduction to the theory and practice of organizational design. Students acquire an understanding of the coordination mechanisms that enable organizations to function, the parts of an organization and their interaction, the decisions that shape organizational structure, and the factors that determine the suitability of certain structures.

By the end of the course, students should be able to:

- Understand and compare major theories of organization, as well as their use in the analysis of real-world organizations
- Explain how members of an organization coordinate their work
- Identify the key parameters of organizational structure
- Analyze how contingency factors influence organizational design
- Implement tools and techniques of effective organizational design
- Diagnose and analyze organizational problems related to design
- Understand the strategic implications of particular designs

The course allows students to develop the following competencies:

- Understanding problems that arise in organizational settings
- Working in teams to provide in-depth analysis
- Formulating possible solutions to organizational issues
- Presenting the output of team work in spoken and written form

In addition, the course promotes critical thinking and argumentation skills. Students are confronted with practical questions for which there is no clearly correct answer, improving their ability to defend a point of view and synthesize alternative views.

DESCRIPTION OF CONTENTS: PROGRAMME

Theories of organization

- Division of labor
- Interdependence
- Transaction costs theory
- Agency theory
- Classical theories
- Human relations school
- Contingency theory

Management of organizations

- Managerial process
- Authority
- Leadership
- Power and conflict
- Delegation

Organizations as systems

- Coordination mechanisms
- Parts of the organization
- Formal systems
- Informal systems
- Hybrid systems

Design of microstructure

- Motivation theories
- Specialization
- Job rotation and enlargement
- Formalization
- Training
- Indoctrination
- Organizational culture

Design of macrostructure

- Unit grouping
- Functional structure
- Divisional structure
- Unit size
- Tall vs. flat structures
- Planning and control systems
- Liaison devices
- Ambidextrous organizations

Design of decision-making systems

- Vertical decentralization
- Horizontal decentralization

Contingency factors

- Organizational age
- Organizational size
- Technical systems
- Technology
- External environment
- Ownership and governance

LEARNING ACTIVITIES AND METHODOLOGY

Teaching and learning methods include:

- Plenary lectures. These present the knowledge students are expected to acquire. Slides are shared by the instructor on Aula Global, and the course bibliography allows students to consolidate their understanding of lecture material.
- Discussion of articles, news, and case studies provided by the instructor. All material is made available in advance on Aula Global. Students must read these articles and cases before class, as part of the individual work required by the course. The discussions can be followed by assignments for students to complete either individually or in teams.
- Simulations, games, and other structured activities with formative value. These are intended to familiarize students with the core concepts and tools of organizational design, and explore their applications to practical scenarios.
- Team work throughout the course involving the study and analysis of a real organization and aspects of its structure that relate to one or more of the topics covered by this course. The subject of this work should be approved by the instructor. Results will be presented in writing and through a live presentation in the final weeks of the course. Students can choose any organization for this project, including businesses, government agencies, and non-governmental organizations.

The 6 ECTS credits earned through this course correspond to 3 credits for class attendance, 2 credits for individual work and participation in classroom activities, and 1 credit for team work.

ASSESSMENT SYSTEM

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

The final grade is the weighted average of three components:

- Final exam: 40%
- Classroom activities and individual work: 40%
- Team project: 20%

The exam requires a minimum grade of 3.5 out of 10 in order to pass the course. If students score less than 3.5, the grades received for classroom activities and the team project are ignored, and the final grade corresponds to the grade of the exam.

Attendance of weekly lectures and small-group classes is mandatory. If students miss more than 20% of classes without justification, they cannot receive a grade for classroom activities and the team project, but can take the final exam for 60% of the grade during the ordinary session, or for 100% of the grade during the extraordinary session.

Students who fail the course for any reason after the ordinary session have the option to retake the exam during the extraordinary session. If they attended the course, the grades received for classroom activities and the team project remain valid.

BASIC BIBLIOGRAPHY

- Henry Mintzberg The structuring of organizations, Prentice-Hall, 1979
- Richard L. Daft Organization theory and design, Cengage, 2021