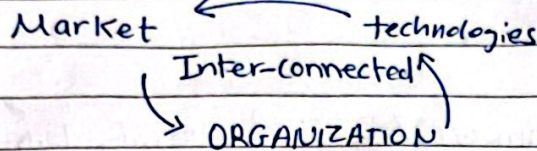


Some challenges

① Globalization



good example
is to contract out some
functions to organizations
in other countries

↑ INCREASE THE FLOW OF GOODS, SERVICES & IDEAS ACROSS INTERNATIONAL BOUNDARIES

② Ethics & Social Responsibility

↓
consider the
working hours

↓ ecological sustainability
Green → (reduce the waste/Recycling)

We can say that social
responsibility is the
Balance between the
economy & ecosystem

③ Responsiveness

↓
For problems

↓ changes
in the environment

PESTEL → technological → Digital, IT
↓ legal → economical
↓ social
political environmental

④ Diversity

↓ Religious ↓ Culture ↓ Age ↓ Gender ↓ Race

⑤ Digital workplace

• Definition of an organization

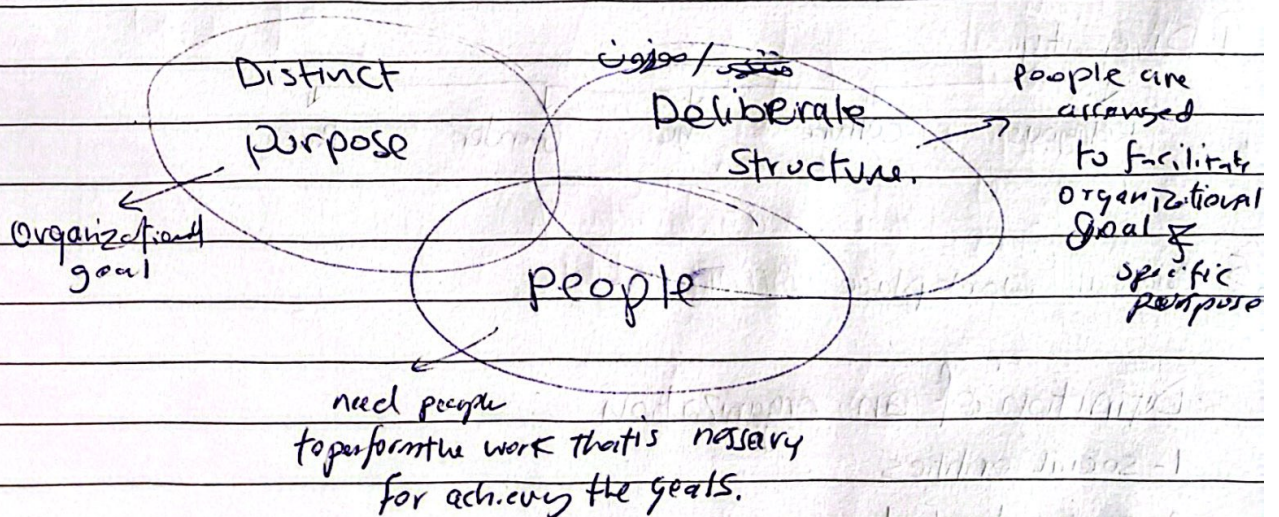
- 1- social entities
- 2- goal-directed
- 3- are designed as deliberately structured & coordinated activity systems
- 4- are linked to external environment
- 5- the main purpose is to create value from producing goods & services

Importance of organizations

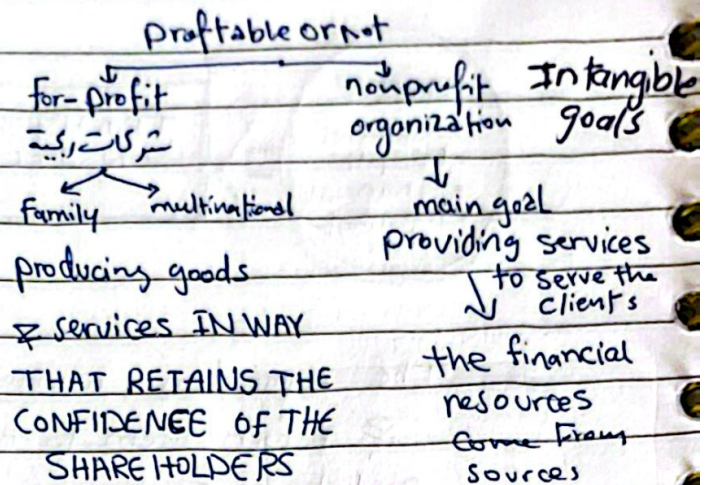
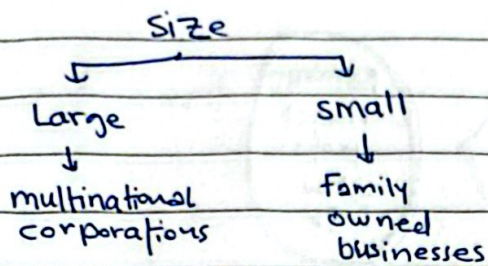
- 1- Bringing together resources to achieve desired goals and outcomes.
- 2- Facilitating innovation, ~~invention~~
- 3- produce goods & services
- 4- creating value
- 5- harnessing modern manufacturing, service & info. technologies
- 6- Adapting to & influencing a changing environment.
- 7- Accommodating ongoing challenges of diversity, ethics, --- & the motivation of employees.

role of the corporation ! → has become a force for civilized
(~~responsibility~~) behaviour & provided identity & community to people.

Characteristics of organizations



Types of organizations



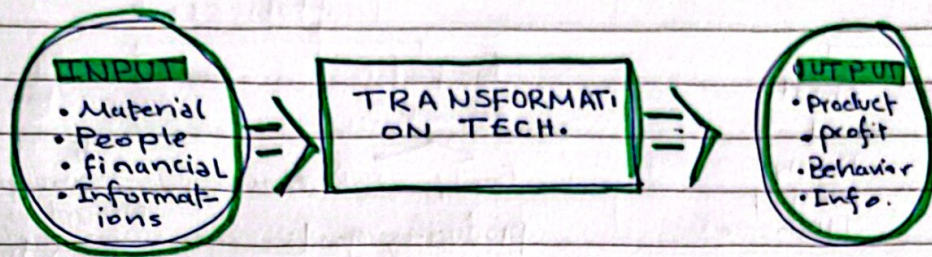
there is a new hybrid type
(SOCIAL ENTERPRISE)

combine the commercial activity generating revenue with the pursuit of social goal.

- 1- governmental grant
2- private foundation grants & donations
they don't have (bottom line)

the significant distinction between for-profit & non profit org.

For profit → focuses on the product, goods & services to shareholders, while
non profit → don't face this constraint.



The organization's managers combine those inputs & return them to the environment as a products or services, profit & losses & additional info.

As OUTPUT → these product are sold to the consuming public

CHAPTER 2: PERSPECTIVE ON ORG.

closed system : focuses exclusively upon the organization without consideration to its dependencies upon or capacities to influence, elements that lie beyond it.

- self-contained

open system → paying attention to the (open) boundary between the organization & its context

- Develop a design that effectively manages the exchanges of raw material, people — across its boundaries

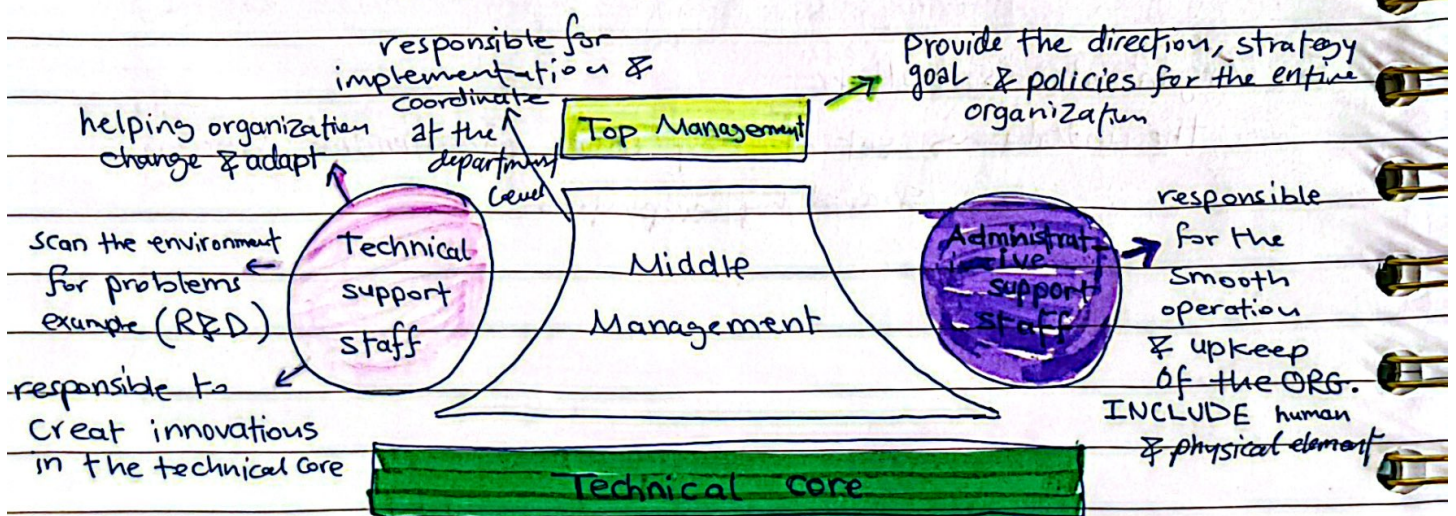
ORGANIZATION are conceived as consumer of resources (Inputs) & exporters of resources (outputs, services)

relevance →

explosion of the internet & e-business

growing diversity of the workforce

opening up of low wage Labour economies



- **diverse support staff** Who do the basic work of organization

- This is where the primary transformation from inputs to output takes place

(DSD)

example: Dr. in uni
examples eng. pilot & so

5. professionalism

describe the level of formal education & training of employees

6. personnel

refer to the deployment of people to various functions & department

Contextual Dimensions

1. Size

can be measure to the whole organization or for specific component
→ no. of employees
→ no. of sales → reflect the magnitude but not the size of human part of the system.

2. organizational technology

refers to the techniques & actions used to transform input to outputs

3. environment

outside boundaries of the organization

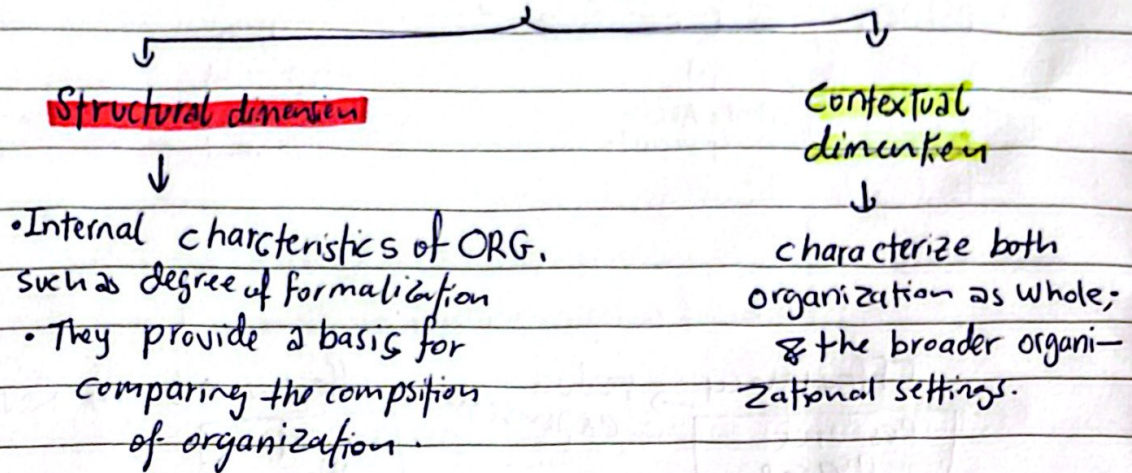
4. goals & strategies

define the purpose and competitive techniques that set it apart from other organizations

5. organization's culture

the underlying set of key values, understandings & norms shared by employees

Dimensions of Organization Design



1. FORMALIZATION

refers to the reliance upon written documentation in the ORG.
such as → documentation relates to procedure, job description, regulations & policy manuals
(formalization is the opposite of free-style ORG.)

2. SPECIALIZATION

the degree of (to which) organizational tasks are subdivided into separate jobs.
(If the specialization is extensive, each employee perform only narrow range of tasks)

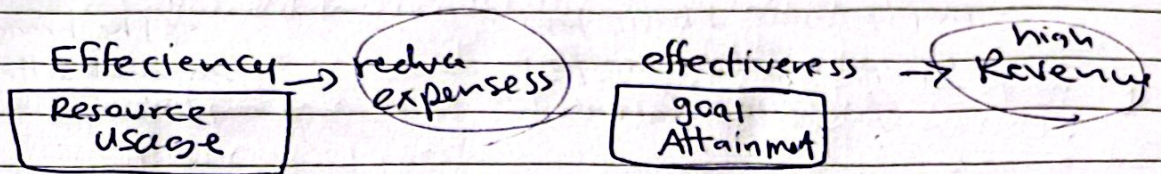
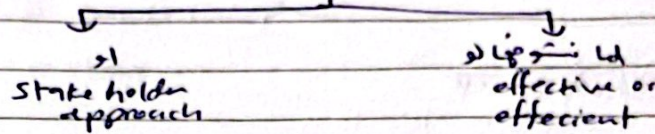
3. Hierarchy of authority

who reports to whom & span of control for each manager

4. Centralization

hierarchical level that has authority to make decision
• When decision-making is kept at the top level, the organization is centralized

OG. ال performance, الجاهز او الجاهز



Management strives for low resource waste (efficiency)
 & High goal Attainment (effectiveness)

EFFICIENCY

LOW

HIGH

effectiveness	LOW	HIGH
	Low efficiency, high effectiveness means the managers chooses the right goals, but does a poor job of using the resources A product the the customer want but is too expensive for them	high efficiency high effectiveness A product that the customer want & affordable to buy
LOW	low efficiency low effectiveness low - quality, product that the customer don't want.	high efficiency, low effectiveness means the manager choose have the right good use of resources but choose inappropriate goals. high - quality product that the customer don't want.

Performance & effectiveness outcomes

What is the difference between the efficiency & effectiveness?

Efficiency refers to the amount of resources used to achieve the organization's goals
ex: quantity of raw materials, money & employees to produce a given level of output

Effectiveness is a broader term, the degree to which the OG achieves its goal

Stakeholder approach

any group within or outside the OG.
that has a stake in the OG.

they would be for example

I want to achieve
satisfaction all →
If I want to satisfy
the customer, share-
holders will damage.

- Shareholders
- customers
- Suppliers
- distributors
- employees
- government

So we can conclude that the stakeholder approach is integrate diverse organizational activities by taking account of the various organizational stakeholders & considering what they want from the organization.

Historical perspective

- Efficiency is every thing

- Scientific Management

→ scientific study ~~involves~~ ^{involves} of individual situations to determine which method of doing a job derives more output

- How to get organized

- Administrative principles

→ considering the design & functions of the org. as a whole

- Contributed to bureaucratic organization (impersonal & rational org.)

- What about people

- Hawthorne studies

↓
positive treatment of employees improves motivation, morale & productivity

→ clearly defined authority & responsibilities.

→ often associated with red tape

→ ignore the social context & human feelings in the workplace

→ the social distance between managers & workers & its impact on the productivity.

chaos theory → the relationship in complex systems are nonlinear
• chaos theory operates with some predictability which is challenge of today's managers

Prepare for the unexpected

Learning Organization → the main principle of ~~the~~ it is for communication & collaboration to be actively promoted so that every one is engaged in identifying & solving problems

Mechanical System Design → Natural System design
(organic)

1. From Vertical to horizontal
2. From Routine task to empowered Roles
3. From control systems to Shared Info
4. From competitive to collaborative strategy
5. From Rigid to Adaptive culture.

Strength

- Strong brand recognition
- present in all over the world
- superb supply chain mang.
- positive customer experience

opportunity

- easy access to new country
- expanded Ifs product range
- collaborations

Weakness

- It's not affordable
- High employee turnover
- Divided attention
- limited menu.

THREATS

- entry of traditional producers
- health & safety concerns final
- regulations.

official goals

(mission statement)

describe a value system

لماذا
نحن

legitimise the organization
general direction (broad stat.)

example

↳ To innovate & connect people
Worldwide through technology

the guiding principles &
sense of purpose

operative goals

(serve several purposes)

like a specific, measurable

objectives that guide day to day

operations & decision making

- Employee direction & motivation

- Decision guidelines

- standard of performance

example:

↳ Increase the market share by 10%

→ break down official goals
into actionable steps

(DSD)

CHAPTER 3: STRATEGY, ORG. DESIGN & EFFECTIVENESS

How to build a SWOT analysis

competitive advantage	Strength	Opportunities	GROWTH GOALS AREA
OPERATIONS & people	Build	Invest	
goal	Weakness (Areas in improvement)	Threats	WATCH
Initiative	shore up	Monitor	

Internal

External

What we can impact & Directly influenced

What we can influence but not directly impact

Employees
Customers

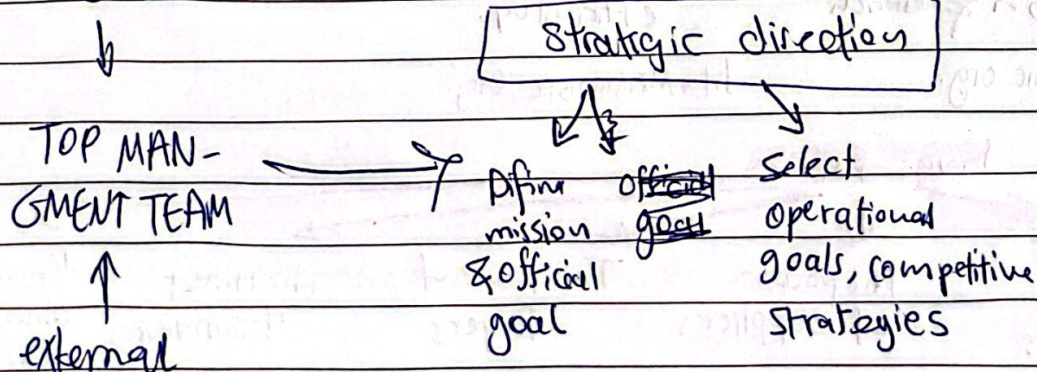
Negatrends
Industry
Market
competitors

for example: Improving communication

It sound like an opportunity but it's weakness because the external perspective thing that we can influence but not directly control it.

We can control communication

external



(DSD)

To use this model managers evaluate two ~~valuable~~ factors

Competitive advantage

managers determine whether to compete through lower cost or through the ability to offer unique product or services

Competitive scope

Managers determine whether the organization compete

Broader scope

many customer segments

narrower scope

selected customer segments

Differentiation

• uniqueness

Benefits

reduce rivalry (competition) & substitutes due to customer loyalty

challenges

require a significant ~~resource~~ investment in design & research

fits organic org.

low cost leadership

• efficiency
• low cost

Strategies

Building efficient facilities

tight cost controls

pursuing cost reductions

examples

companies that produce standardized product efficiently.

fits Mechanistic Org.

Focus

concentrate on a specific market segments either

focused low cost

fits Mechanistic or hybrid (rigid)

efficiency VS Creativity.

focused differentiation

organic or hybrid (Rigid)

Porter's Five Forces

The threat of new Entrants

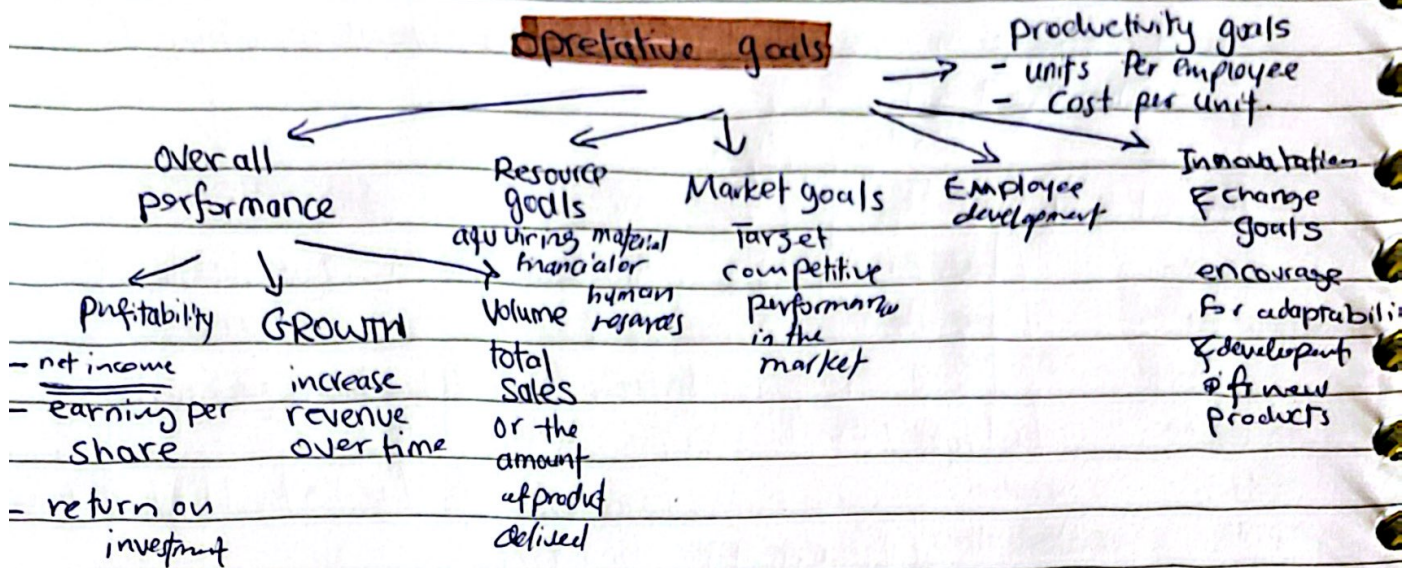
The power of suppliers

The power of Buyers

The threat of substitutes

Rivalry among Existing Competitors

Operative goals



For profit

For non-profit → emphasize
service delivery, client
out reach - and cost control

STRATEGY

→ is a plan for interacting with the competitive environment

Models exist to aid in formulating strategy

Porter's Five
Forces

Miles & Snow's
Strategy Typology

focused
Low
Cost

focused
Differentiation

here we have 4 strategies

discuss →

Miles & Snow's Strategy Typology

PROSPECTOR	DEFENDER	ANALYSER	REATOR
• decentralized structure • learning orientation • flexible, fluid values creativity risk taking & innovation (organic)	• stability • efficiency orientation • centralized authority & tight cost emphasis on production efficiency, low overhead (indirect cost) (rigid)	Balance efficiency & learning • tight cost control with flexibility & adaptability creativity research & risk taking for innovation (hybrid)	NO CLEAR ORG. approach design charac- teristics may shift abruptly depend on current needs

strategy impact internal organization characteristics

Assessing organizational effectiveness

- Managers must evaluate goals
- effectiveness can be difficult to measure

take into consideration a range of variables at both the organizational & departmental level

Resource & Internal process goals

- Resource-based indicators look at the inputs regarding

the use of tangible & intangible resources in operations
(new product development model)

- Internal process must be measured for effectiveness
 - operational efficiency
 - Growth & development of employees

Simple grouping → people work together without any formal reporting relationship
who use it → founders & entrepreneurial individuals

Functional → grouped by common functions
→ All specific skills & knowledge are consolidated
→ promotes economies of scale
→ slow response to environmental changes
→ prevalent approach but few companies can respond in today's environment without HORIZONTAL

(Break unit) = divisions.

Divisional → Skilled (strategic business units) (Product structure)
operating unit → Divisions organized according to products, services & product groups
example: university → Good for achieving coordination across functional dep.
→ suited for fast change, Decentralized
→ loses economies of scale
→ Lack technical specialization

Geographic → organizing to meet needs of users/customer by geography
→ Many multinational corporations are organized by country
→ focuses managers & employees on specific geographic regions
→ Strengths & weaknesses similar to Divisional

Matrix (multifocused) → Multifocused with strong horizontal linkage
→ largest weakness: that the employees have two bosses & conflicts, demand
→ Allows organization to meet dual demands
conditions in Matrix → share resources across the org.
→ Two or more critical outputs required product & technical knowledge
→ environment is complex and uncertain

(DSD)

Traditional organization VS learning organization



Designed for
efficiency

- Centralized authority
focused on top level
decision-making



Communication
& collaboration

- Decentralized authority
focused on shared tasks

Vertical organization strc.

- specialized tasks
- strict hierarchy, many rules
- Vertical communication &
reporting system
- Few teams, task forces or integrators
- Centralized decision making

Horizontal organization strc.

- shared tasks, empowerment
- Relaxed hierarchy, Few rules
- Horizontal communication, face to face
- Many teams & task forces
- Decentralized decision making

Vertical Information Sharing

- used to achieve
- 1- Vertical linkage
coordinate activity between top & the bottom of the organization
 - 2- Hierarchical referral → chain of command
 - 3- Rules and plans → create vertical links
~~linkage device~~ → provide standard responses for repetitive tasks
 - 4- Vertical information system → Reports, computers & written info.

Horizontal information sharing

- Horizontal linkage coordinate activities across organizational department

↓ ↓ ↓ ↓ ↓ ↓

Liaison roles Inf. system Direct contact Task forces Full-time Integrator Teams

(DSD)

Horizontal structure

- they focused on a core process
- shift towards horizontal structure due to re-organization.
- Structure is created around cross-functional process
- process owners are responsible for entire process
- increase organization's flexibility
- May harm performance if critical processes are not correctly defined

virtual Network

↓
when
people work on
their own

← strength

→ weakness

- Reduce overhead
- flexibility & use of new tech.
- Ability to draw on world wide resources
- Lack of control
- extreme decentralised
- dependance upon external org.
- Difficult to develop Corporate Culture

out sourcing

↓
when you
hire people
all around
the world

استعانة بالعمال الأجانب
للقيام بمهمة

مهمة مؤقتة

Hybrid structure

- combination of various structure approaches
- tailored to specific needs

dual authority (matrix)

adv $\rightarrow$ we can say balance between vertical & horizontal
disadv $\rightarrow$ employees experience dual authority

* What are the contingency factors in the org. structure?

environment
technology
size
life cycle
culture

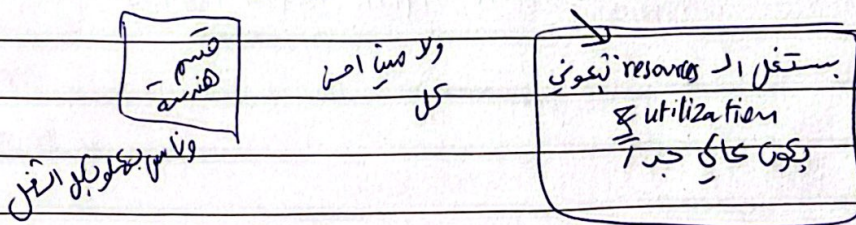
* What are the three key components of org. structure?

- 1- Reporting relationship
- 2- groups/individuals
- 3- communication systems

* task force → temporary committee for coordination
↳ the aim is to solve problems through coordination

* full time integrator → To coordinate multiple department
(project manager)

* economies of scale means → duplication of resources



* If organization needs to be highly responsive to customer demand
Which org. would be most appropriate?
Simple grouping

* the functional structure → impede innovation
تقييد الابتكار

divisional differ than functional
↓

structure groups output ,

↓
tasks

(DSD)

technology companies → adaptability culture
to adapt competitive innovation.

real time enterprise → goals of instant response to
emerging issues

gig economy worker →
عالم الاقتصاد المؤقت

increase scrutiny (المراقبة) on corporate managers → greater emphasis
on ethical values

Managerial ethics → ethics decision go far beyond behaviours
governed by law
→ guide the decisions & behaviours of many

Emergence & purpose of culture

provides sense of organizational identity

• Two critical functions in organization

- ↳ To integrate members so they know how to relate to one another
- ↳ To help organization adapt to external environment

Internal Integration : collective identity and know how to work together

External Integration : how the organization meets goals and deals with outsiders

Interpreting culture

1. Rites & Ceremonies

- ↳ Rites of passage → the transition of employee into new social roles
- ↳ Rite of enhancement → create stronger social identities & increase status of employee
- ↳ Rites of renewal → training & development activities
- ↳ Rites of integration → create common bonds & good feelings among employees & increase commitment to the org.

2. stories

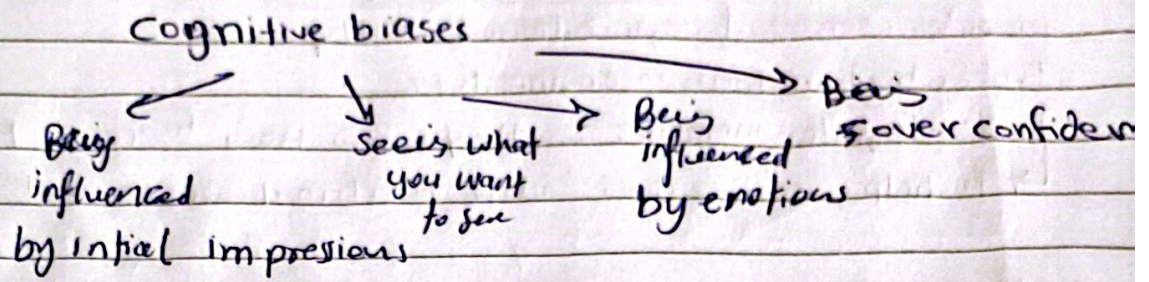
3. symbol

4. language

		Flexibility	
		Internal	External
	Clarity	Adaptability	
	Involvement		
	Primary goals	human resource development	goals : growth, resource acquisition
	Sub goals	cohesion morale training	Sub goals : flexibility, readiness external evaluation
	Bureaucratic	Mission	
	Primary goals	stability, equilibrium	Primary goals : productivity, efficiency & profit
	Subgoals	information management communication	subgoals : planning <u>goal</u> setting
	Methodical approach	control (stable)	need of environment

DSD

F

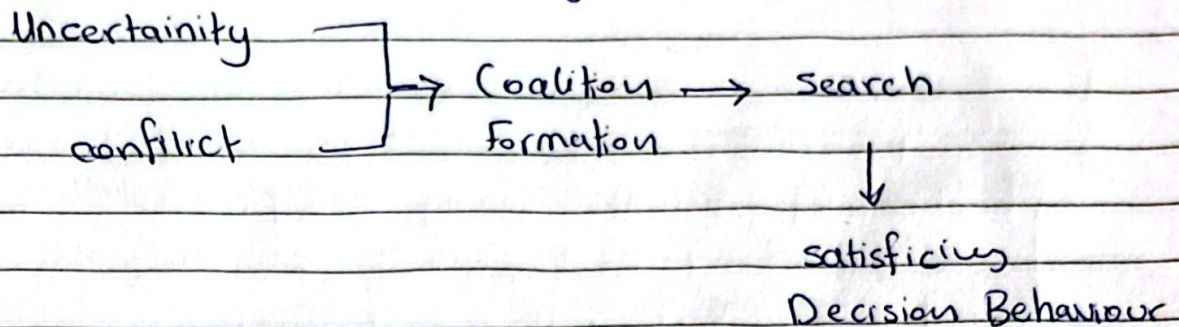




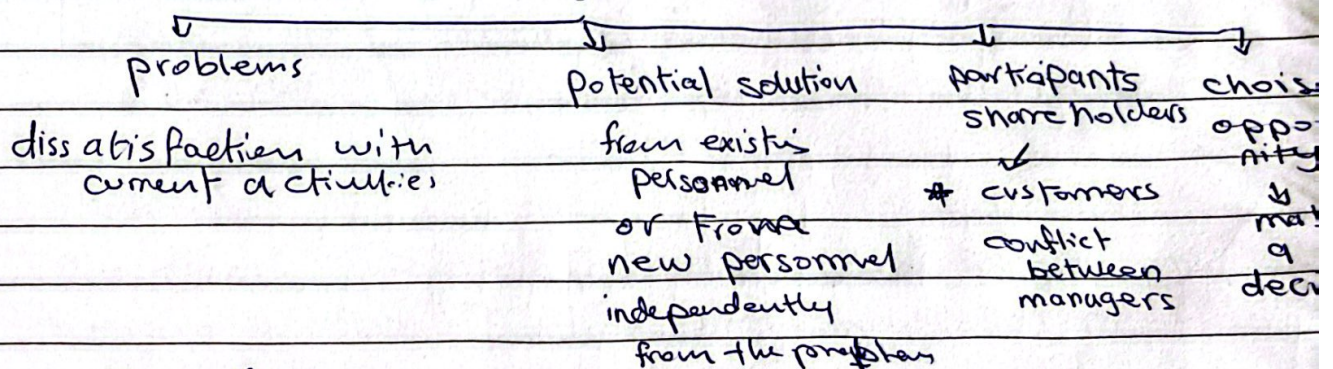
The role of intuition
experience & judgment

IRR
Internal rate of return

Carnegie Model



Garbage can model



4 specific consequences

- solution for a problem that it does not exist
- choices are made without solving problems
- problem may be persist without being solved.

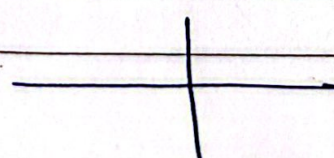
two dimensions

1- problem consensus → اجماع

differentiation over → اختلاف
وعلم توافق

2- Technical knowledge

(DSD)



Chapter 14

Inter group conflict occurs when participants identify with one group & perceive that other groups may block their groups achievement

1. group identification
2. observable group differences
3. frustration

Conflict is similar to competition but more severe.

Conflict hampers (يُضيق) the organizations achievement. While competition may increase the =

Inter group conflict may occur → horizontally
→ vertically

SOURCES OF CONFLICT

- goal incompatibility
 - probably the greatest cause of intergroup conflict
 - The achv. of one department's goals often interferes with other

• Differentiation

- The differences in cognitive & emotional orientations among managers in different functional departments.

source of conflicts

power & organizations

- power is the potential ability of one person to influence other people to bring about desired outcomes
 - ability to achieve goals or outcomes

power & organization

- Legitimate power is the authority granted by the org. to the formal management position a manager holds
- Reward power stems from the ability to bestow rewards - a promotion or raise
- Coercive power
- Expert power
- Referent power

Power versus Authority

- Authority is a force for achieving desired outcomes, as prescribed by the formal hierarchy & reporting relationships.

Vertical sources of power

- Formal position
- Resources
 - Bases

1- Technology change → in the org. production process

including its knowledge & skill base

these changes to make the production more efficient or to produce greater volume

Bottom UP change

technology involve techniques to make products & services

work methods equipments & workflow

2- product & services change

→ It may be a small change in an existing product or entirely new production line.

→ to increase the market share or to develop new markets customers & clients

3- strategy or structure change

↳ إدارة الأعمال

(administrative domain) → which involves the supervision & management for the org.

and these changes involves changes in ---

Coordination devices organization structure Strategic management Policies reward systems Labour relations

also management info. & control sys.

usually → the change will be top-down

من أعلى إلى أسفل

4- culture change

↳ refer to change in the values, attitudes, beliefs, expectations and behaviour of employees

(How employee think!) → change in mind-sets rather than the tech, products, structure

(DSD)

Chapter 12

Organizations must pace themselves to innovate and change

• powerful forces

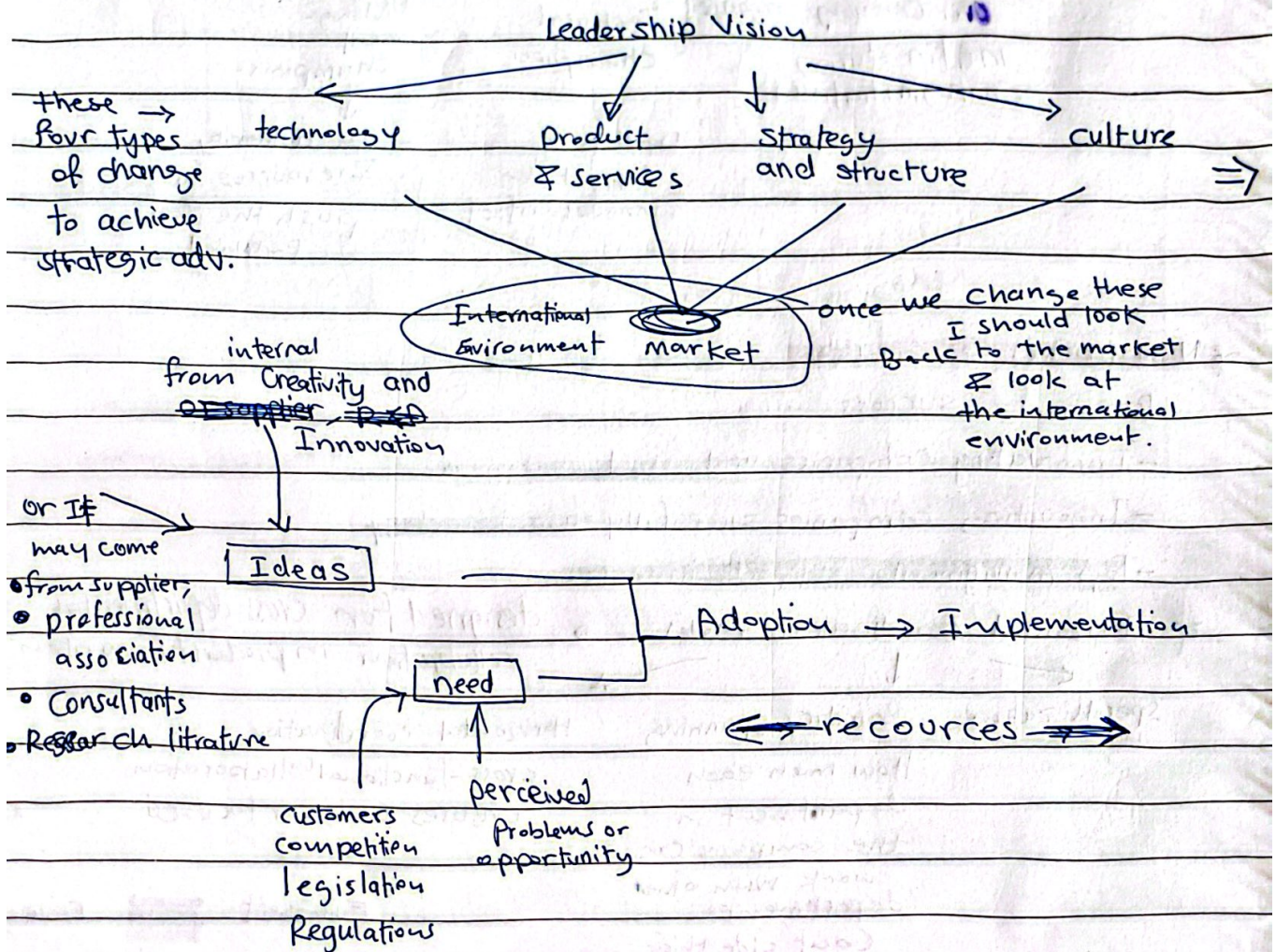
- Technology

- International economic integration

- Maturing domestic markets

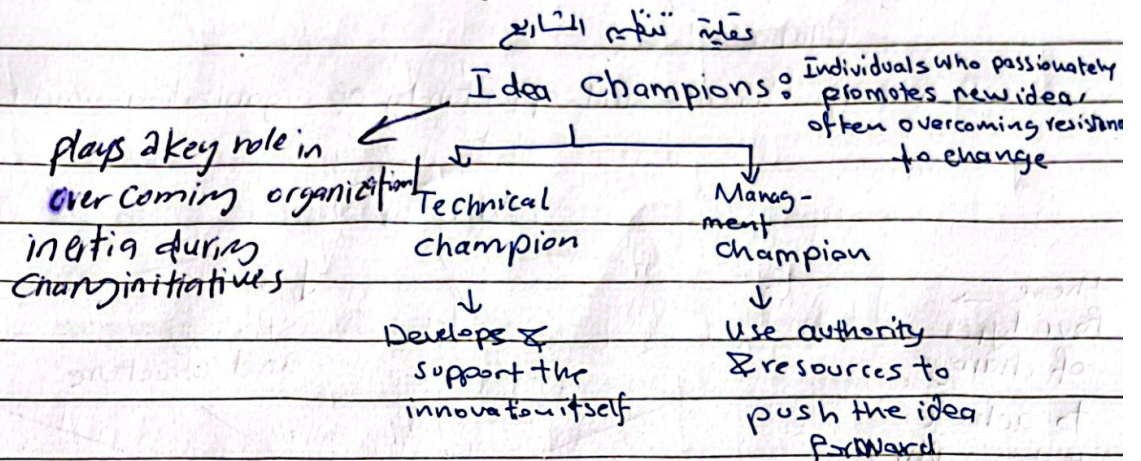
- Globalization

- To manage threats and opportunity organizations must change



Techniques to encourage Technology change.

- switching structures — create more organic structure
- creative department — department for innovation
- venture teams — It's small company inside the org. It's job to create, change, develop & come up with new ideas.
- Corporate entrepreneurship — entrepreneurial spirit
- Collaborative teams.

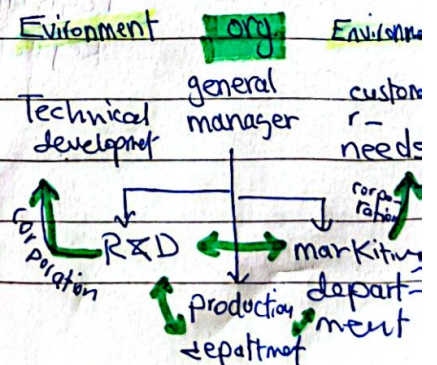
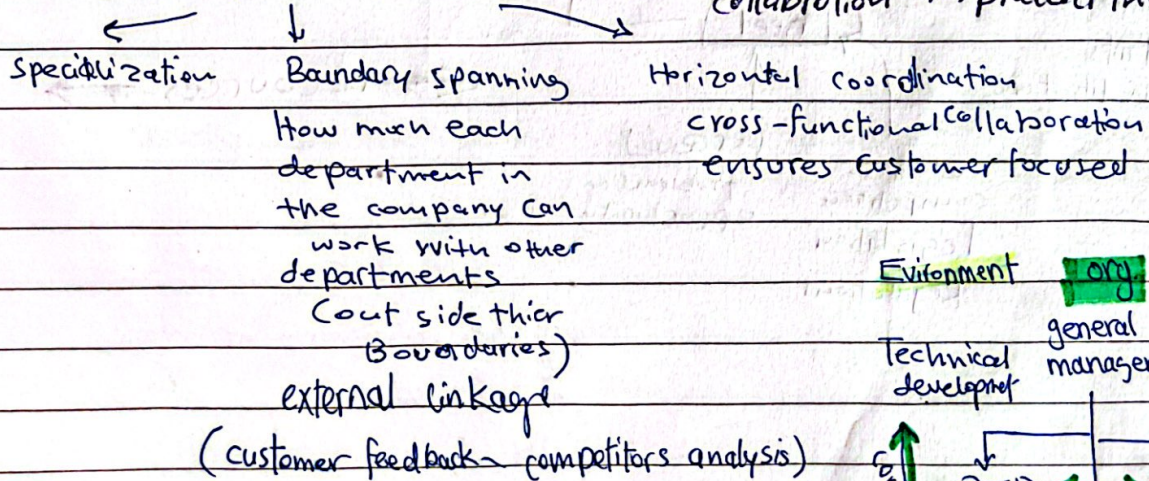


New product & services

Reasons for success

- Innovating companies understand customers
- Innovating companies successfully use technology
- Top management supports innovation

Horizontal coordination Model → designed for cross-departmental collaboration in product innovation



(DSD)

Technology changes

To be both an **organic** and **mechanistic**, managers implement an **ambidextrous approach**

If am a general manager

I want

Creative dep • Expand capabilities • Explore and development for new ideas - organic strc.

rather than

Using department • Exploit capabilities • Routine application of new ideas (Mechanistic strc.)

purpose: expand capabilities by generating innovative ideas

To implement ideas efficiently and exploit existing capabilities

Balance Between incremental

radical changes

Exploration: Develop new ideas & capabilities

Exploitation: Using those ideas to create product or services (ensures those ideas are used efficiently)

So using the ambidextrous app.

divid tasks into

innovation focused
(creative teams)

application focused
(mechanistic teams)

problems: If the org. is too creative (loose structure), it may fail to actually use its ideas. If it's too strict (formal structure) it may not come up with new ideas

So the solution here is to separate these two department so that the company can be more efficient & creative.

(DSD)

OD culture change interventions

- Large group intervention
- B Team Building
- Interdepartmental Activities

Organization Development (OD)



Focuses on the human & social aspects
It's a structured process for bringing about culture change

Behavioral Science Knowledge

key factors driving the culture change

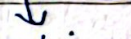
Reengineering
& Horizontal Organization



redesigns the org.
to be more horizontal workflows requiring culture shift toward teamwork, empowerment and collaboration

The emphasis on shared responsibilities, mutual trust & openness to mistakes.

Diversity



evolving from simply managing Diversity to



leading diversity initiatives (Global)

this involves creating inclusive environments where employees from different backgrounds can thrive and focusing on recruiting & retaining diverse talent

learning Org.



learning &

Knowledge sharing across all levels of the organization

side thinking

Achieving competitive Adv.

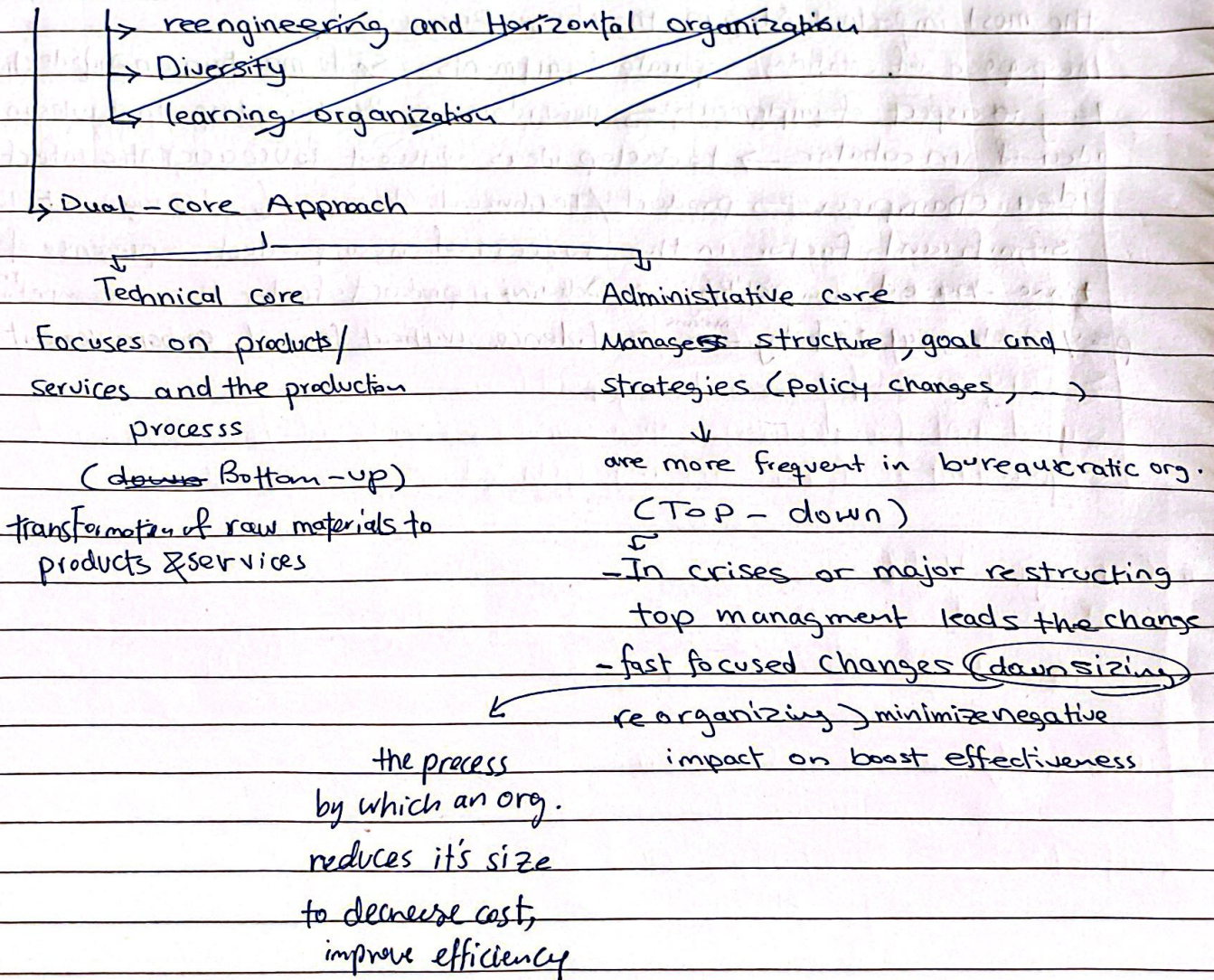
1- speed to market

Rapid product development is the key → in dynamic markets

2- global collaboration

Multinational R&D teams address diverse consumer needs (ex. Häagen-Daz)

Strategy and structure change



(DSD)

mechanistic org. ← also do this
if I want to change } administrative structuring innovation.
the administrative
core

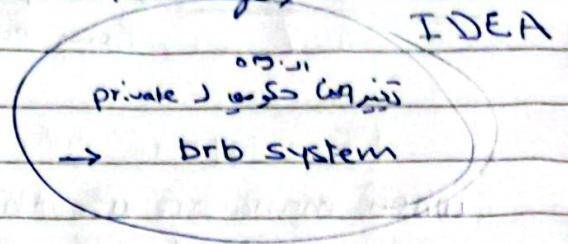
key idea elements of successful change in the org.

ideas need adoption Implementation resources

the most important step in the change process is
the purpose of creating separate departments → to maintain an ambidextrous
key aspect of implementing new ideas → breaking important rules in the
idea incubator → to develop ideas without bureaucratic interference
idea champion → product / technical champion / Management champion
significant factor in the success of new product → presence of idea
time-based competition → Delivering products faster than competitors
psychological safety ^{means} → confidence without fear of embarrassment

Barriers to change (why people don't want to change)

- excessive focus on costs
- failure to perceive benefits
- lack of coordination and cooperation
- uncertainty avoidance (انگیزش اجتناب)
- fear of loss



Techniques for change implementation

- 1 - establish a sense of urgency for change
- 2 - establish a coalition (کمیون) to guide the change
- 3 - create a vision and strategy for change
- 4 - create a change teams
- 5 - Foster idea Champions → (ex. success stories)
- 6 - Find ideas that fits the need
- 7 - develop plans to overcome resistance

force field analysis

↓
باجی بکری ار idea بتی
و این استعداتی بتی اجعت ار goals
then I list the forces
that prevent me
to reach the goal

و بتی یار plan تا ن کل و مدتی ار forces بتی

The Role of intuition → It's not arbitrary or irrational → because It's based on years of practice
From empirist → empirist

when managers use their intuition based on long experience with organizational issues, they more rapidly understand the problem & they develop gut feeling about what alternative will solve the problem

ORGANIZATIONAL DECISION-MAKING

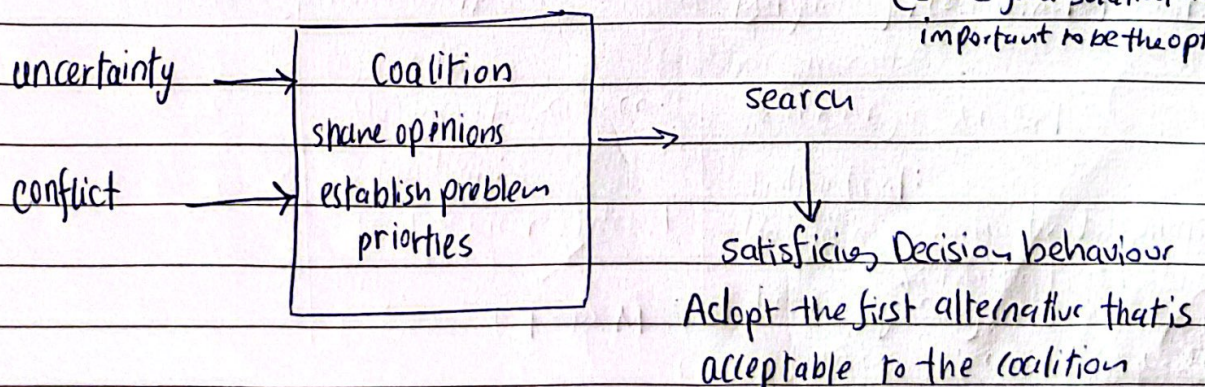
• Management science Approach (OR) (recommended)
I assume that the parameters are given. We want the optimize solution
↓
parameters) 'ols' is

- use statistics to identify relevant variables
- remove any human elements
- Very successful for military problems
- good tool for decisions where variables can be identified & measured
- quantitative data are not rich & lack tacit knowledge.

• Carnegie Model

It's based on coalition among managers who agree about organizational goals

→ we are looking for satisfy solution
(some good solution not important to be the optimal)



(DSD)

Chapter 13: Decision-Making processes

Organizational decision making: the process of identifying and solving problems

two stages → problem identifying
→ problem solution

organizational decision

programmed decision
repetitive & well defined

مكرر وواضح
الخبرة
الحلول متعارف
يمكن كتابة تعليمات بحيث يمكن تطبيقها
الوقت المتعارف بوقت

procedures exist for resolving the problem

unprogrammed decision

novel (new) & poorly defined
& have no procedure for solving the problem

Involve strategic planning

* INDIVIDUAL DECISION-MAKING

rational approach

suggest how managers should try to make decision
تقديم فكرة

bounded rationality perspective

how decisions are made under severe time & resource constraints.

& we have personal & org. constraints
look at exhibit 13.3

Problem Identification

- 1- Monitor the decision env.
- 2- Define the decision problem
- 3- specify Decision obj.
- 4- Diagnose the problem

problem solution

- 1- Develop alt. sol.
- 2- evaluate
- 3- choose the best
- 4- Implement

when goals & solution are clear & measurable

If I want to use the garbage can model there are four things that may happen to you (consequences)

- 1 - solutions may be proposed even when problems don't exist
- 2 - choices are made without solving problems → simulation
- 3 - problems may be persist without being solved
- 4 - A few problems are solved

↓
if new personnel (crisis)

the organization

وكانستعد في وقت

استمر في عمله وماريتموج كليم

الاستعداد الذي كان يعملها باستمرار لينتجها

مفلا صيحي عن ناسكة بار org.

بدا في كل models الانشائي

Contingency Decision-Making framework

→ Problem Consensus (إجماع)

refers to the agreement among managers about the nature of a problem or opportunity

→ Technical Knowledge about solutions

refers to understanding & agreement about how to solve problems & reach the org. goals.

		Certain	Problem consensus	Uncertain
Solution Knowledge	Certain	Individual:	Individual:	Bargaining, coalition formation organization! Carnegie Model
		Rational approach		
	Uncertain	Organization: Management Science.	Individual:	Bargaining & Judgment, Inspiration & Imitation Learning Org. ^{defining the problem} garbage can Model
		Trial & error, Judgment Org. ^{والتجربة} ✓ Incremental D.M		

Incremental Decision process Model

Complex & Dynamic problems & uncertain

Focus on structured sequence of activities from discovery to solution

Large decisions are a collection of small choices

هنا يمكن ان نأخذ بـ تسلسل من القرارات
مما يأتى مرة واحدة بـ تسلسل من الخطوات
(step by step) مراحل متتالية

Decision interrupts are barriers

1- Identification phase

→ 1- Recognition to recognize that we have a problem

2- Development phase

→ 2- Diagnosis to collect data ~~in some~~

3- selection phase

→ 1- search / Design
→ 2- ~~Design~~

4- Dynamic factors

→ Internal interrupt, New Option Interrupt, external Interrupt

→ Learning organization

→ combining the Incremental process & Carnegie Model

when the problem identification is uncertain, Carnegie model applies

When problem solution is uncertain incremental decision model applies

Garbage Can Model

نموذج القمامة (NOT recommended)

It's Pattern or flow of multiple decisions

organized Anarchy

→ I can't identify

→ problematic preferences

→ unclear & ill-defined problems, goals & alt.

→ unclear, poorly understood technology

→ tool & belief
اي بـ تسلسل من الخطوات
لأنه من الصعب

→ Turn over (fluid)

→ cause & effect relationships are difficult to identify.

4 Streams

→ Problems

→ potential solutions

→ It's an idea that someone suggest by new or existing Personnel.

→ participants

→ employees

→ customers

→ shareholders

→ choice opportunities

Managers must deal with

- High-velocity environments
- Learning from decision mistakes
- understanding cognitive & personal biases

→ escalating commitment

→ prospect theory

→ group think

→ evidence-based management

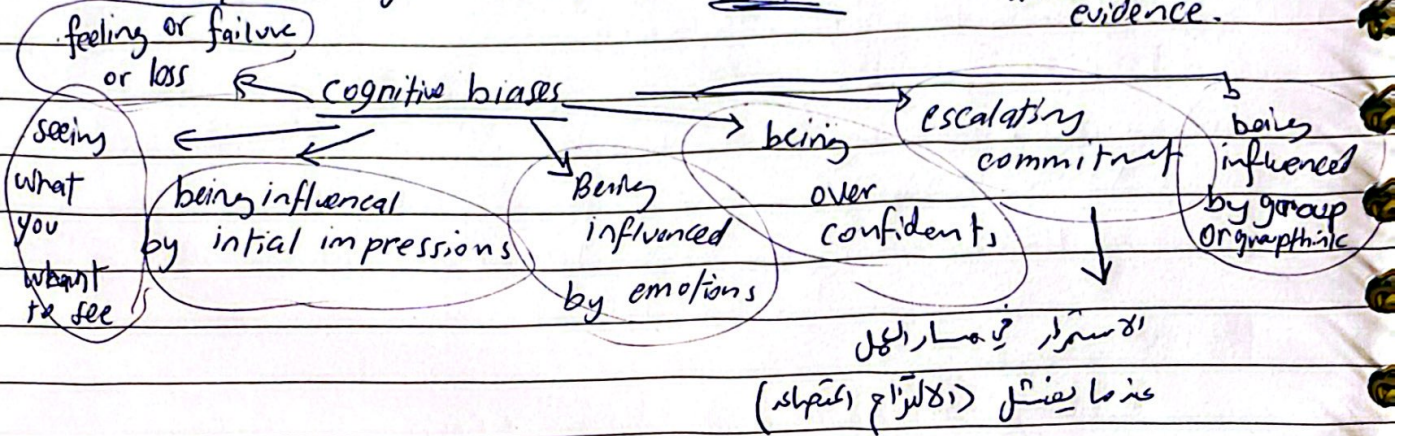
→ encourages dissent & diversity

when you make the wrong decision

because you favor something wrong

hope that thing will be better, but you know that it will not

you want to make decisions based on evidence.



also check exhibit 13.9

→ they influence how individuals interpret information, solve problems & make choices

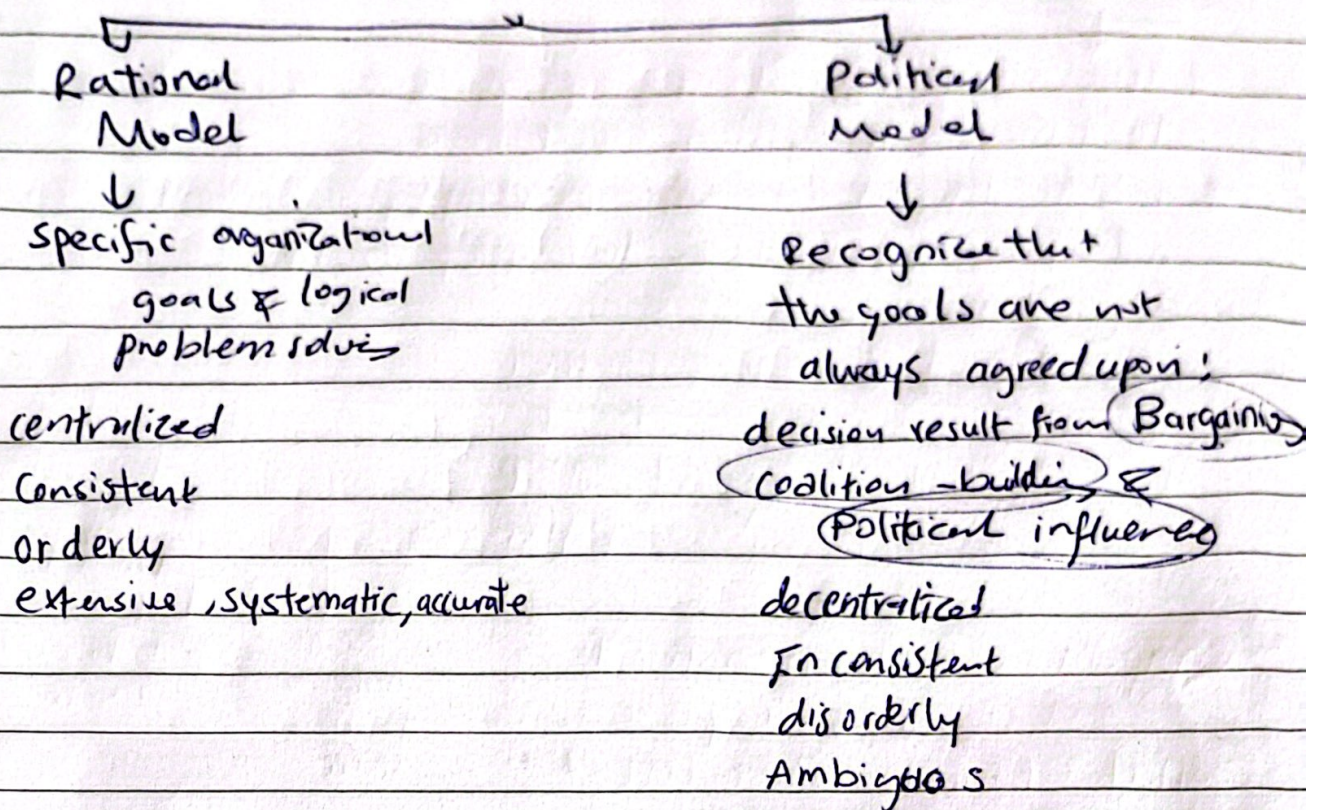
escalating commitment

↓
refers to the tendency of individual or organization

to continue investing in a failing project or decision

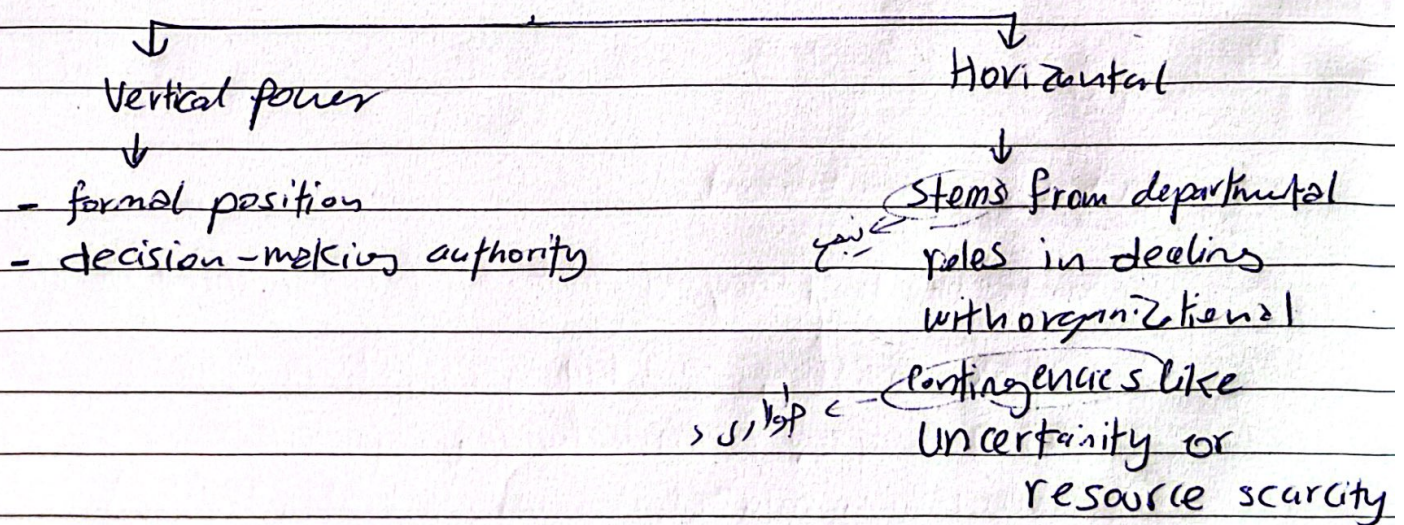
example: a company continue funding a product development project even though market research indicates the product will not succeed

Models of organizational Decision Making



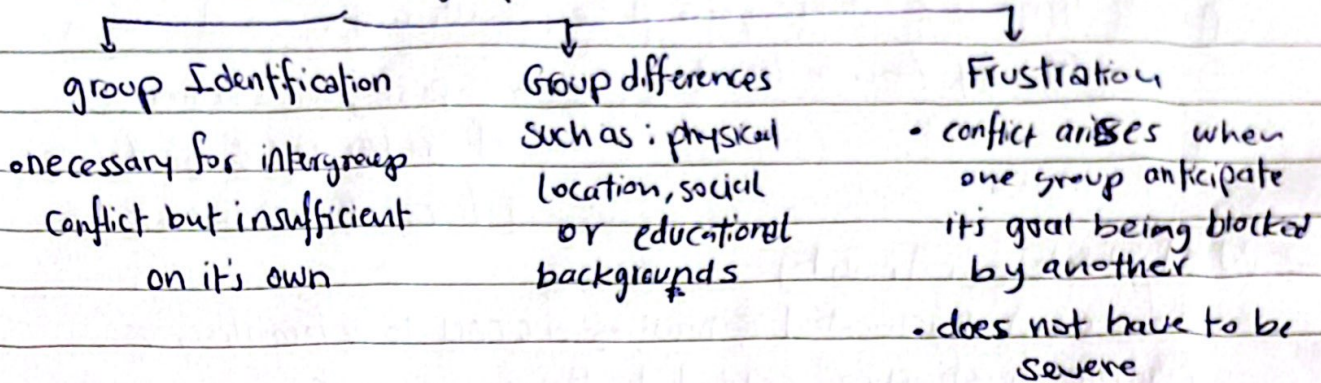
Power

Intangible force in organization (exchange relationship) the potential ability of one person or department to influence other people or department to carry out orders.



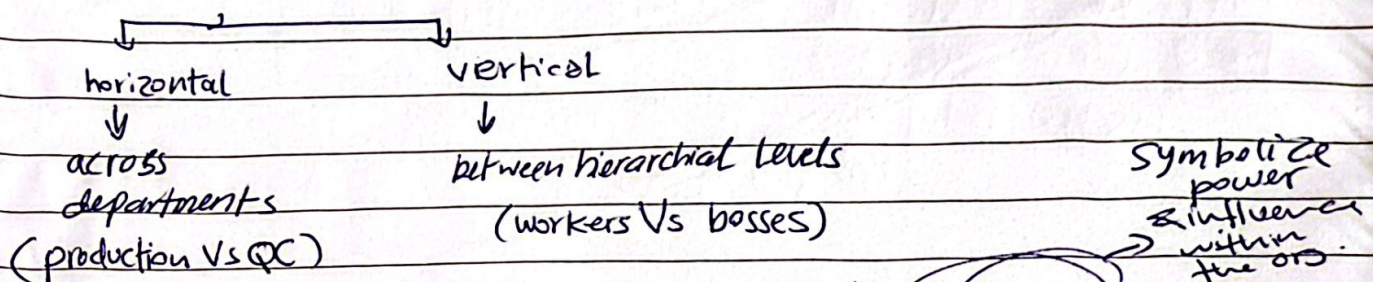
Intergroup conflict: arises when organizational group perceive each other as a barriers to achieving their goals or expectations

conditions of Intergroup conflict

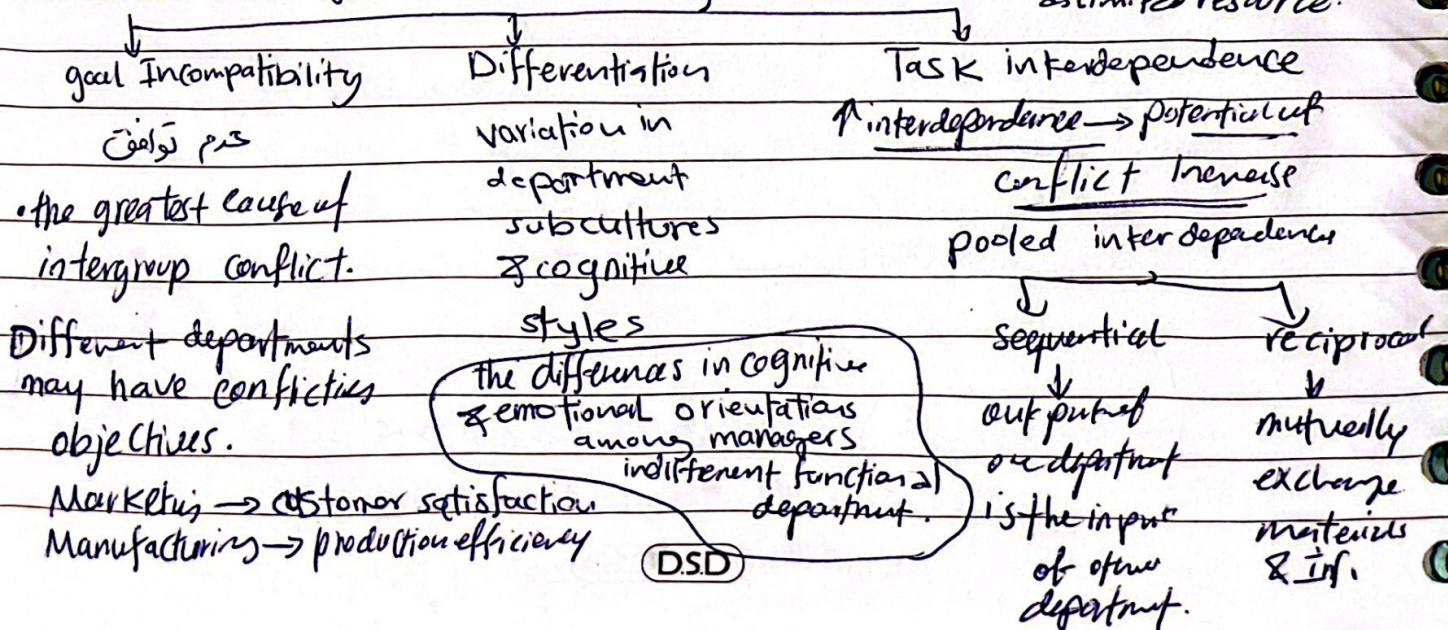


Conflict: Involves the frustration of goal ach. due to perceived obstruction
 Competition: less severe, rivalry over a common prize without direct goal obstruction. by other group.

Type s of intergroup conflict



source of conflict



* Control of Decision premises and Information

→ control of decision premises

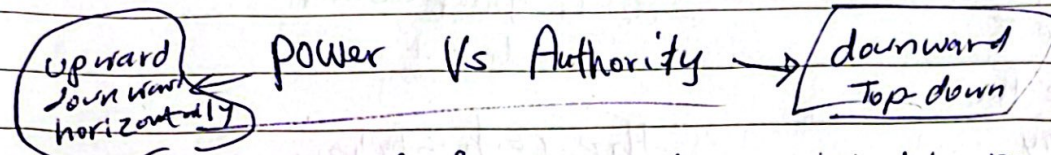
means that top managers place constraints on decisions made at lower level by → specifying a frame of reference & guidelines for decision-making

* Network centrality

being centrally located & having access to information & people that are critical to the company's success.

مركزية الشبكة

- * **legitimate power**: authority granted by the organization to the formal management position a manager holds
- * **reward power**: the ability to bestow rewards, promotion, rise
- * **coercive power**: The authority to punish or recommend punishment
- * **expert power**: person's greater skill or knowledge about the task being performed
- * **referent power**: from personal characteristics



the concept of formal Authority is related to power but narrower scope
 Authority: force for achieving desired outcome, but only as
prescribed by the formal hierarchy & reporting relationship

- 1- Authority is vested in organizational position
- 2- Authority is accepted by subordinates
- 3- flows down the vertical hierarchy.

↓
 they believe that ~~that~~ the position holders have a legitimate right to exercise power.

Vertical source of power

* Formal position

↳ legitimate power
~~non-routine~~

power enables employees to be productive, when job tasks are non-routine & when employees participate in self-directed teams & problem solving task force → this encourages flexibility

* Resource

- ↳ they are allocated downward (from the top management)
- ↳ top management control the resource
- ↳ can be used in reward and punishment

appt go

work out
their difference

Confrontation: when parties in conflict directly engage one another & try to

Negotiation: Bargaining process that occurs during confrontation
& that enables the parties to systematically reach a sol.

Integrative

Win-win strategies



both sides adopts a
positive attitude &

Strive to resolve the
conflict in a way

that will benefit each other.

Distributive

Win-lose strategies, zero sum
negotiation
↓ divide a fixed amount of resource

each group wants
to defeat

the confrontation
will usually be ineffective

Collective bargaining

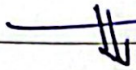
The bargaining process is usually accomplished by a union
& results in an agreement each party's responsibilities

BATNA → Best alt to a negotiated Agreement

Fixed pie assumption

↳ the belief that the resources are limited
& one party's gain is the other's loss

Horizontal source of power



relationship between (across) departments or divisions

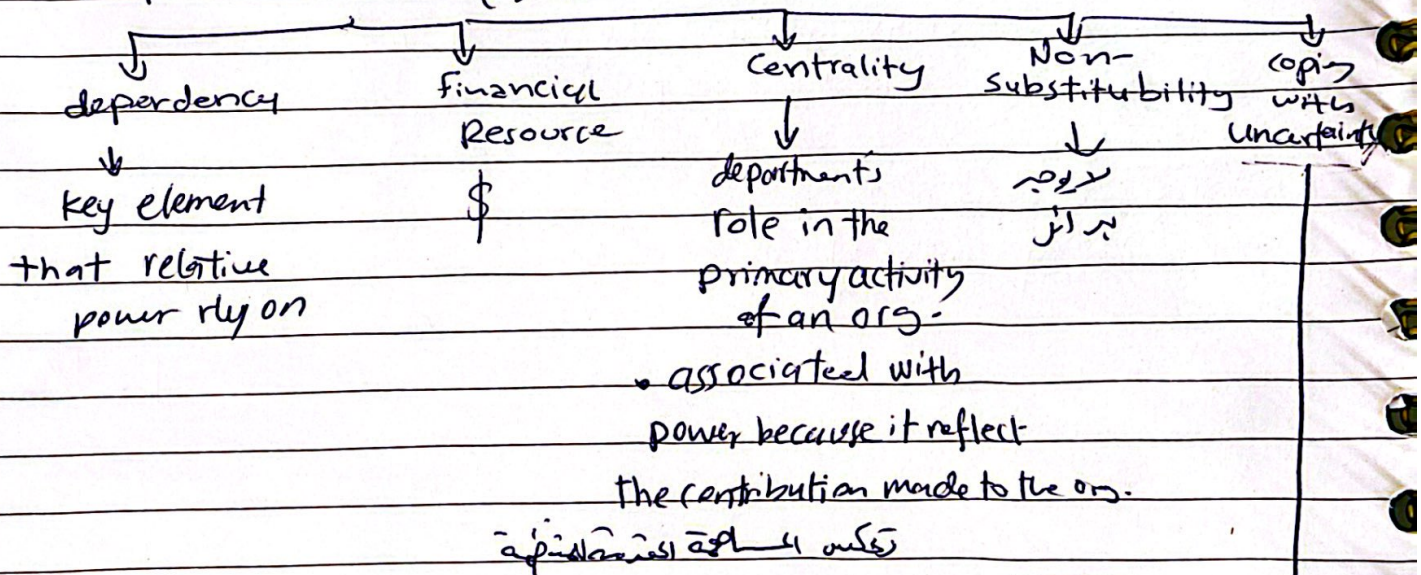
All vice president are usually at the same level on the organization chart

- the theoretical concept that explains the relative power → called strategic contingencies

strategic contingencies

↳ Both inside & outside an organization

strategic power source (5)



obtaining prior info.
prevention by predicting negative event.
when department takes action after an event.
Absorption