

Management and Organisational Behaviour

Introducing Organisations

Last Week

1. Introduced key themes
2. Organisational behaviour defined
3. What organisations are
4. Why they exist
5. The role of managers
6. The need to understand organisational behaviour

So, what did we learn?

- What do you remember?
- What is Management? _ _ _ _

P - Process

I - Individual (s)

G - Group(s)

G - Goal

Today's objectives

Part 1

1. To explain what an organisation and learn about renown Hotel brands
2. To distinguish between the different types
3. To identify ways of classifying organisations
4. To explain the difference between formal and informal organisations



Organisations



Škoda



**GIG
CYMRU
NHS
WALES**

eden project

HSBC



The world's local bank



**HOSPITALITY
AND
TOURISM
MANAGEMENT**

*Man Geni Addysg Uwch yng Nghymru
Where Higher Education Began in Wales*



**Prifysgol Cymru
Y Drindod Dewi Sant
University of Wales
Trinity Saint David**

Why do organisations exist?

Organisations exist primarily to bring together a group of individuals to achieve common goals or to carry out specific functions that are more efficiently or effectively accomplished through collective action

March and Simon (1993)

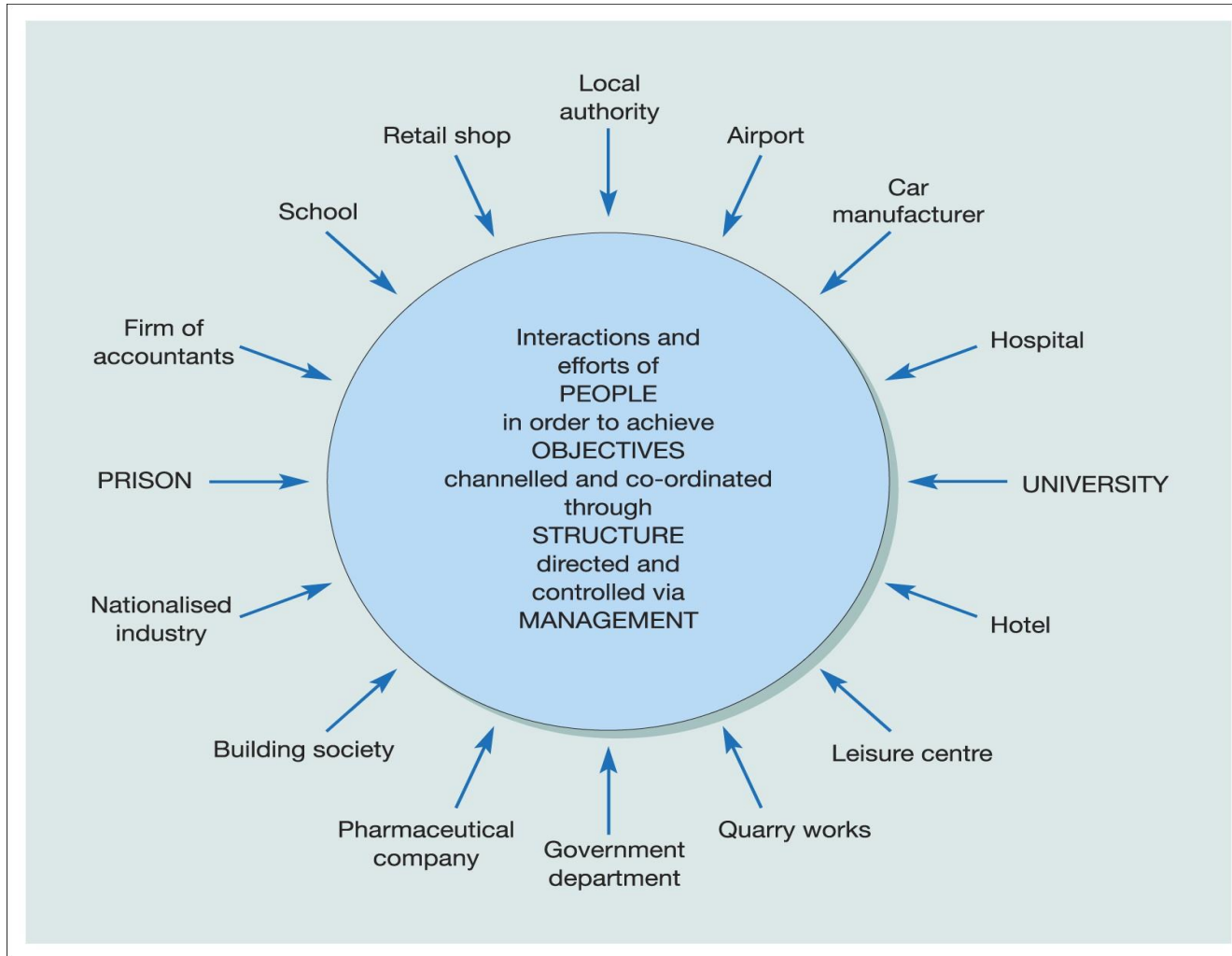
Organisations are...

'...social constructs created by groups in society to achieve specific purposes by means of planned and co-ordinated activities.'

These activities involve using human resources to act in association with other inanimate resources in order to achieve the aims of the organisation.'

Farnham and Horton (1992)

Common factors in organisations



Source : Mullins, L.J. (2007). *Management and Organisational Behaviour*. 8th ed. Harlow: Pearson Education.P76

Activity

How well do you know Hotel brands?



Guess the organisation's Logo

You need a phone or a laptop

Scan the QR code or use the web link and game ID

Blooket



Go to play.blooket.com
and enter Game ID:

8586310

Copy Link



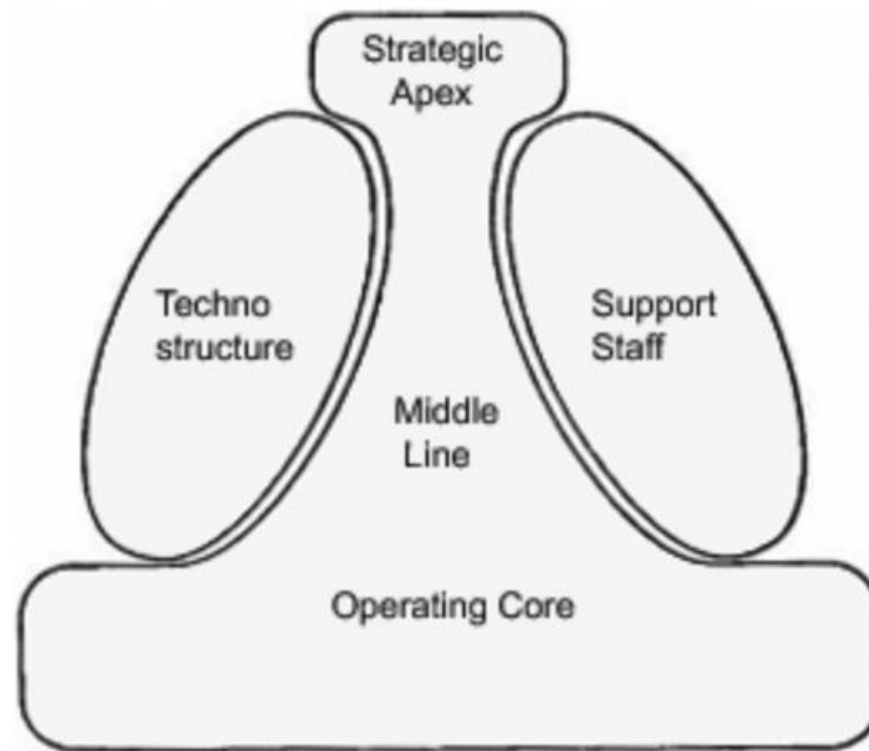
Exhilarating, Suspense-Filled Action!

Answer questions to race opponents
and use power ups to get to the finish
line first

Blooket

1 More

Mintzberg's – theory on organisations

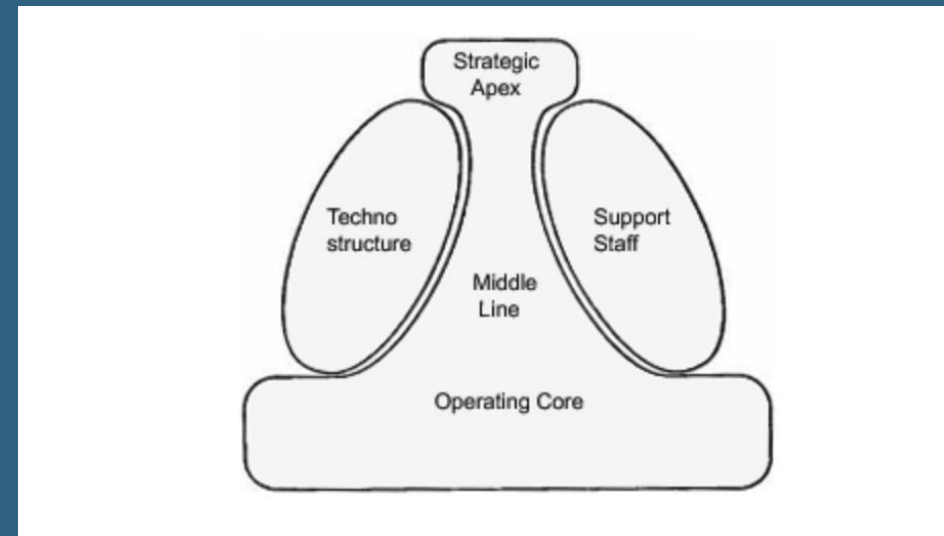


Mintzberg (1980)

Activity

You have 10-15 minutes to research Mintzberg's theory on organisations and provide a describe of each of the 5 components:

- *Strategic Apex*
- *Middle Line*
- *Operating Core*
- *Technostructure*
- *Support Staff*



Ensure you have something ready to feedback to the whole group

Mintzberg's – theory on organisations

Strategic Apex:

- Made up of directors/ senior executives
- Define the organisations objectives and missions

Operating Core:

- The activities carried out by the organisation to 'deliver outputs'

Middle Line:

- Provides the links between strategic apex and operating core.
- Work carried out in the organisation needs to be consistent with the strategic objectives

Technostructure:

- This involves the key individual or key 'functional areas' within each organisation
- For example, HR, Finance, Marketing

Support Staff:

- This involves departmental areas that do not directly impact the organisation 'core purpose' but contribute to efficiency of the strategic apex
- For example, Legal services, research & development, PR.

Mintzberg (1980)

Inside an organisation

Two 'broad' components:

- Operating component (workers)
- Administrative component (managers)

Whatever the differences between organisations

Common factors include:

COMMON FEATURES OF ORGANISATIONS

- People
- Objectives
- Structure

Group Activity 1

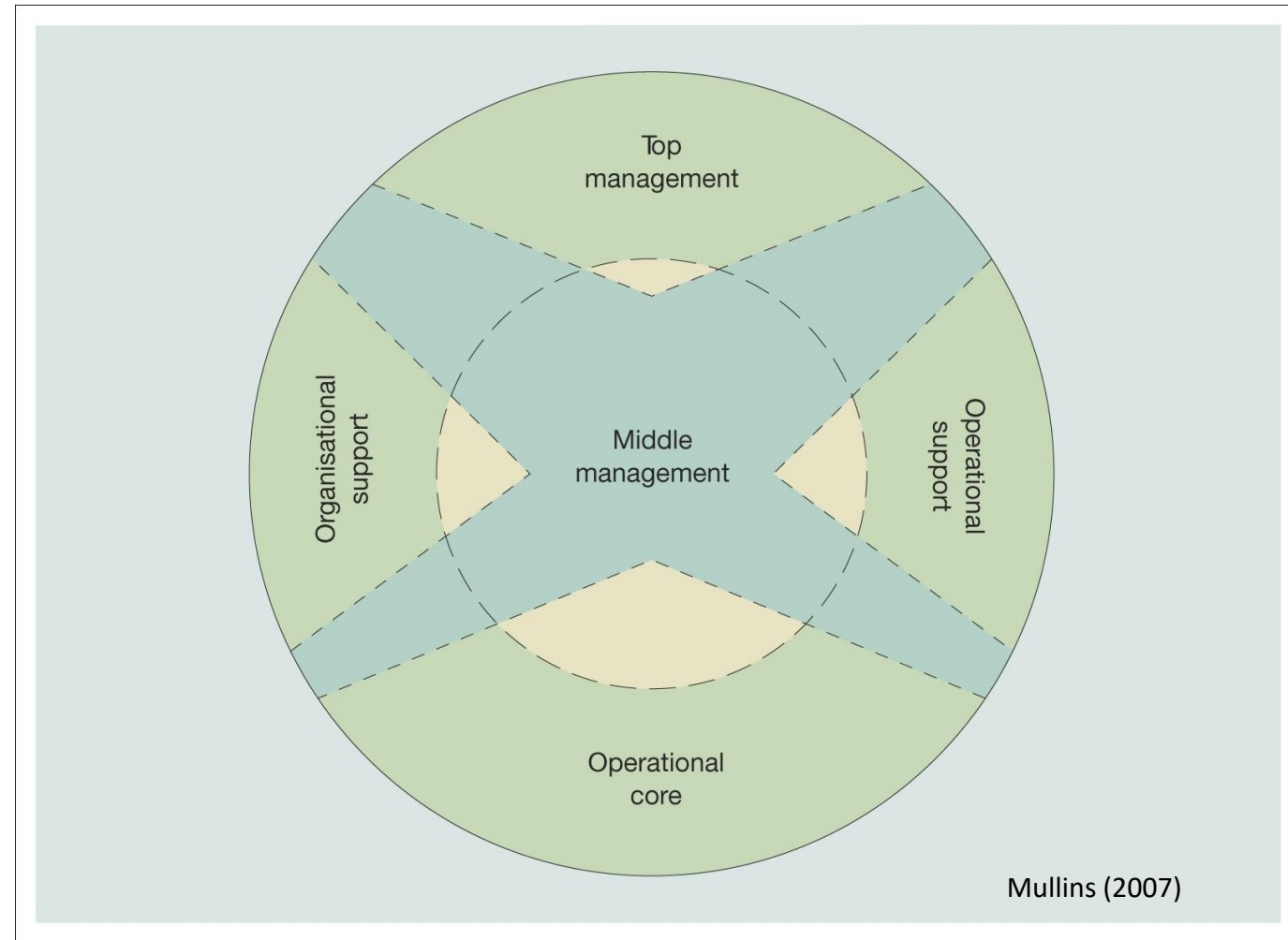
There are 5 basic components of an organisation.

From the picture:

1. Identify what they are?
2. Try to explain what they do?

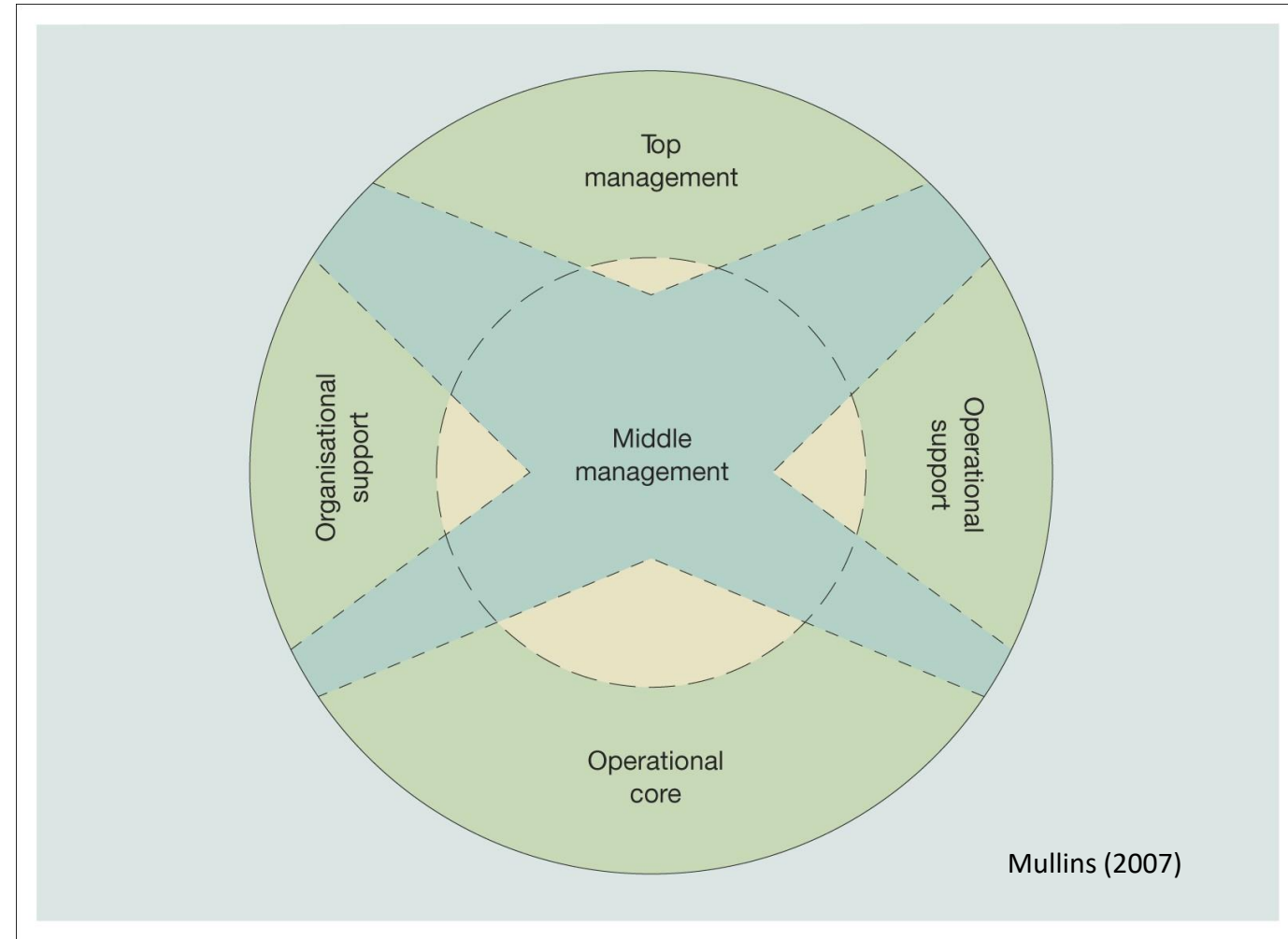
You have 15 minutes,

Each group needs to be ready to present their ideas.



Answer

- **Operational Core**
Carrying out daily tasks
e.g. a teacher teaching or server serving
- **Operational Support**
Indirect daily tasks
e.g. Stores, maintenance
- **Organisational Support**
Whole organisation services
e.g. HR, catering, office
- **Top management**
Broad objectives/policy, Strategy, Overview, External relations
e.g. Chief Executive, General manager
- **Middle management**
Co-ordination, integration, links other layers
e.g. Department or functional Head



Some ways of classifying organisations

- Public/Private/Not-for-Profit
- Formal/Informal
- Product/Service
- By major purpose
- By prime beneficiary
- By primary activity



Private and public sector organisations

Private sector

- Owned and financed by individuals, partners or shareholders accountable to their owners or members.
- Main aim is of a commercial nature such as profit, return on capital employed, market standing or sales levels.

Public sector

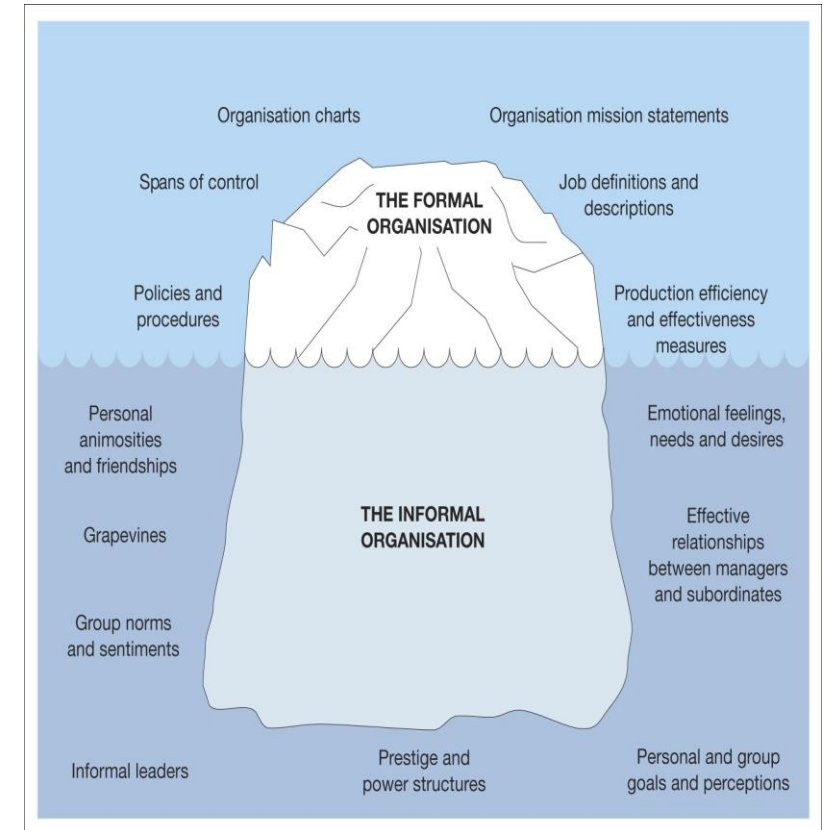
- Created by government and financed through taxation, accountable to the electorate.
- Do not generally have profit as their goal but have a political or welfare purpose.

Give an example for each sector (remember from last week?)



The formal and informal organisation – What is the difference?

Aspect	Formal Organisation	Informal Organisation
Definition	A structured setup with defined roles and relationships organized to achieve specific goals.	A network of personal and social relationships that arise spontaneously as people associate with one another in a formal organisation.
Purpose	To achieve specific objectives , such as profitability, service delivery, or educational goals.	To satisfy the social and psychological needs of members , such as friendship, support, and shared interests.
Structure	Typically hierarchical , with clear lines of authority and a systematic arrangement of roles.	Lacks a defined structure and is typically flat, with relationships determined by personal preferences.
Rules and Regulations	Governed by formal policies , procedures, and standards.	Operated by unwritten norms , customs, and conventions.
Communication	Often follows official channels and formal lines of communication.	Relies on informal channels , which may include gossip, rumors, and unofficial meetings.
Leadership	Leadership is designated by position and authority within the organisation.	Leadership is often determined by social influence and may not coincide with the formal hierarchy.



Lysons (1997)

Classification by primary activity

The 'first order' function of the organisation determines the classification:

- **Productive or Economic**
 - Concerned with wealth creation, public service
- **Maintenance**
 - Concerned with socialisation of people
- **Adaptive**
 - Concerned with research and the pursuit of knowledge, theory testing
- **Managerial or political**
 - Concerned with social order, control

Katz & Khan (1978)

Authority in organisations (Weber)

Traditional organisations

- Authority derived from custom and tradition
- The 'right to rule'

e.g. Pope/King. The British Royal Family, where authority is passed down through the royal lineage.

Charismatic organisations

- Authority derived from belief in the personal qualities of the leader

e.g. Churchill, Jobs, Branson.
Companies like Apple, initially under the leadership of Steve Jobs, whose personal charisma and vision shaped the company's direction.

Bureaucratic organisations

- Authority derives from the acceptance of rules
- 'Legal-rational' authority based on position

e.g. Army, Govt ministers, Vice Chancellor. Most modern governmental organisations and corporations, like Google, have structured hierarchies and systems based on legal-rational authority.

Weber (1978)

What influences organisations?

Through discussion provide examples:

- Political
- Economical
- Sociological
- Technological



Rollinson (2008)

Political future

- Political parties and alignments at local, national and European or regional trading-bloc level
- Legislation, e.g. on taxation and employment law
- Relations between government and the organisation (possibly influencing the preceding items in a major way and forming a part of future corporate strategy)
- Government ownership of industry and attitude to monopolies and competition

Socio-cultural future

- Shifts in values and culture
- Change in lifestyle
- Attitudes to work and leisure
- 'Green' environmental issues
- Education and health
- Demographic changes
- Distribution of income

Economic future

- Total GDP and GDP per head
- Inflation
- Consumer expenditure and disposable income
- Interest rates

- Currency fluctuations and exchange rates
- Investment by the state, private enterprise and foreign companies
- Cyclicalities
- Unemployment
- Energy costs, transport costs, communications costs, raw materials costs

Technological future

- Government and EU investment policy
- Identified new research initiatives
- New patents and products
- Speed of change and adoption of new technology
- Level of expenditure on R&D by organisation's rivals
- Developments in nominally unrelated industries that might be applicable

Environmental future

- 'Green' issues that affect the environment
- Level and type of energy consumed – renewable energy?
- Rubbish, waste and its disposal

Legal future

- Competition law and government policy
- Employment and safety law
- Product safety issues

Lynch (2006)

Reference list

Farnham, D. and Horton, S. (1992) *Human resources management in the new public sector: Leading or following private employer practice?* Public Policy and Administration, 7(3), pp.42-55.

Katz, D. and Kahn, R.L. (1978) *The Social Psychology of Organizations*. 2nd ed. New York: Wiley.

Lynch, R. (2006) *Corporate Strategy*. 4th ed. Harlow: Financial Times Prentice Hall, p.84.

Lysons, K., (1997) *Organisational analysis*. Supplement to Manager, The British Journal of Administrative Management, no. 18, March/April. Reproduced with permission of The Institute of Administrative Management.

March, J.G. and Simon, H.A. (1993) *Organizations*. 2nd ed. Oxford: Blackwell.

Mintzberg, H. (1980). *Structure in 5's: A Synthesis of the Research on Organization Design*. *Management science*, 26(3), 322-341.

Mullins, L.J. (2007) *Management and Organisational Behaviour*. 8th ed. Harlow: Pearson Education, p.76.

Weber, M., (1978) *Economy and Society: An Outline of Interpretive Sociology*. Edited by G. Roth and C. Wittich. Berkeley: University of California Press.