

ST. MARY'S UNIVERSITY COLLEGE

FACULTY OF BUSINESS

DEPARTMENT OF MANAGEMENT

**A STUDY ON ORGANIZATIONAL STRUCTURE OF
KADISCO CHEMICAL PAINT INDUSTRY**

BY

MOHAMMED ALI

**JUNE 2011
SMUC
ADDIS ABABA**

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A SENIOR ESSAY SUBMITTED TO DEPARTMENT OF MANAGEMENT

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APPROVED BY THE COMMITTEE OF EXAMINERS

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Chapter One

Introduction

1.1 Background of the Study

Organizational structure is a formal pattern of interaction and coordination designed by management to link the task of individuals and groups to achieve organizational goal. (Narayana,P.S,2000:257)

Organizational structure refers to the network of relationship among individuals and positions in on organization. Organizational structure describes the organizations from work just as human beings have skeletons that define their parameters, organizations have theirs. (Narayana,P.S, 2000: 257)

Kadisco Chemical Industry is one of the leading paint and adhesives producers in Ethiopia. It established in 1979 as the first adhesive and give producer in the country. Today kadisco is manufacturing adhesives, give for the wood, shoe, leatheries. As well as paint for decorative, industrial protective and automotive refinishing sectors.

These products are mainly sold to the domestic markets with the future plan for export with state of the art manufacturing facilities together with European Technological Support.

The fundamental restructure to the company management system can be taken as a turning point for the overall success of the company. On the other hand the growing demand for construction paint in the domestic market leads the company to develop its efficiency in all aspects.

In this regard, starting from using the latest technology machine system to constructing well equipped chemical mixtures many efforts have been done.

Kadisco supplies high quality products, prompt services and necessary technical support/advice to both local and regional customers all over the county. In order to achieve this goal, they incorporate technology to provide solutions for their customers' needs. Product and process improvements are routinely conducted at there research and development department so that products suit the changing needs of their customers.

Most of their qualified employees are chemists and engineers. Research and development, manufacturing and marketing teams work together to create value for their customers with well equipped laboratories, and strict quality control. Customers are ensured of good and consistent products from kadisco.

1.2 Statement of the Problems

Organizational structure involves arrangement of activities and assignment of personnel to these activities in order to achieve the organizational goal (Amerik and Kumar.N,2003:129).

The coordination that exists between the departments directly affect the performance of the overall activity. In Ethiopia, due to many reasons, such as limited skill or poor knowledge about organizational structure performance and other reasons less attention is given for many aspects of organizational structure function in many government as well as private organizations.

Kadisco Chemical Paint Industry confronts problems regarding effectiveness which are attributed to the following factors. The first problem is, in clarity of overall structure of the organization. Second, the organizations also have multiple departments that perform similar activity. The third problem is the complication in delegation of authorities.

So that research tries to identify the problem of Kadisco Chemical Industry concerning organizational structure.

1.1. Research question

1. How organizational structure effort is organized in the company?
2. What does the formation of the structure of the company look like?
3. How does the company form its departmentation?

1.2 Objective of the Study

1.2.1. General Objectives

The general objective of this study is to examine what organizational structure of Kadisco Chemical Industry looks like.

1.2.2. Specific Objective

- To analyze how the organizational structure effort is organized in the company.
- To analyze how the activities are grouped into units and departments and whether departments are placed in their proper places in the structure.
- To assess the organizational structure formation of the company.

1.5 Significance of the Study

- It will serve as bases for other researchers who will study on the same or related topics.
- For the researcher the study helps to gain some practical experiences.
- The research paper has since to Kadisco Chemical Paint Industry understanding about organizational structure of the organization.

1.6 Scope of the Study/Delimitation

In terms of unit of study, this research exclusively focused on management and non-management staff of the company. Although the topics under study, organizational structure, involve six basic elements namely chain of command, departmentalization, and formalization, span of control, work specialization, and centralization/decentralization of authority.

In terms of time frame the study covered the structure in use since organizational reform in 2000 E.C.

The industry is located in one place, thus there is nothing to attach in point of area delimitation.

1.7 Definition Terms

- **Organization:** - subdivision and delegation of the overall management task by allocating responsibility and authority to carry out defined work and by defining the relationships that should exist between different functions and positions. (Chopra.R, 2004:268)
- **Organization chart:** - pictorial display of the relationship of supervisors and subordinates needed by achieve officer or owner.(A-team of experts,200:177)

1.8 Research Design and Methodology

1.8.1 Research Design

The purpose of this study was to investigate the current organizational structure because the research design used in this research was descriptive method.

1.8.2 Population, Sample Size and Sampling Techniques

As subjects of study, both management and non-management staff considered the total population is 135 employees within five directorates. From this a sample size of 38(30%) employees were taken as a representative portion of the population. It's necessary to use stratified sampling method since the population is heterogeneous in terms of their management, non-management departments and so on and the proportionate stratified sampling basis had great role because it gives the sample opportunity to select from different groups.

No	Strata's	Population	Sample
1	Management	2	1
2	Non-management	133	37
Total		135	38

Indicate strata here later simple random sampling based used because it provides equal chance. Finally lottery method used to distribute the questionnaires.

1.8.4 Instruments of Data Collection

Primary data: - the primary data collected through questionnaires and interview guide to gather data from management of the organization. The questionnaires included open and close ended questions.

Secondary data: - the secondary data collected the organization records, reports, and other reference materials.

1.8.4 Types of Data Collected

There are two types of data used. These are primary and secondary source. The primary sources include the gathered data from the questioners and replies from the interview of management and non management staff of the company. While the secondary sources are those obtained from magazines, newspapers, books, and company reports.

1.8.5 Method of Data Analysis

After data are obtained from primary and secondary sources using, questionnaires, interview guide and document method, they systematically compiled, analyzed, tabulated and interpreted using descriptive statistics in terms of percentage, tables and figures. Classify in terms of their nature: qualitative and quantitative,

1.9. Limitation of the study

In conducting the study, the student researcher faced with some constraints like, shortage of time and shortage of financial.

1.10 Organization of the Study

This study consists of four chapters. The 1st chapter deals with the introduction which consist the background information, statement of the problem, research questions, objectives, Significance, scope, and definition of terms.

The 2nd chapter involved Review of Related Literature. The 3rd chapter consists of Data presentation, Analysis and Interpretation. The 4th chapter provides Summary, Conclusion, and Recommendation.

CHAPTER TWO

REVIEW OF RELATED LITERATURE

2.1 OVERVIEW OF CONCEPTUAL FRAMEWORK OF ORGANIZATIONAL STRUCTURE

2.1.1 Definition of organizational structure

Organizational structure involves arrangement of activities and assignment of personnel to these activities in order to achieve the organizational goals. It is away by which various part of an organization are tied together in a coordinated manner and it illustrates the various relationships among various level of the hierarchy within the organization as well as horizontal relationships among various aspect of organizational operation. A well planned organizational structure results in the better use of resources (Sudan A. and Kumer.N, 2003:129).

As per Steven.L (2005:428) organization is a process of combining the work, which individual or groups have to perform with the facilities necessary for its execution, that duties so performed provide the best channels for the efficient, systematic, positive and coordinate application of available effort. A good organizational structure is needed so that

- A. Each individual in the organization is assigned a role, responsibility and necessary authority. Each person who assigned to an activity much knows his position, his role and his relationship with others. He is further responsible for efficient execution of his role and duties and his given the authority to do so.
- B. The activities of all individual are coordinated and integrated into a common patter in order to achieve the organizational objectives. Organization is needed for the purpose of integration of divers activities in a cohesive manner.
- C. The optimum use of human skill and efforts is achieved .Half the work is completed when you know what you have to do and how you have to do it. A good organization does that. It help in smooth operations and smooth flow, thus avoiding bottlenecks, idle time and idle machines. A good organization requires the right person for the right job and this avoids misapplications of human resource thus resulting in optimal utilization of employee efforts. This would ensure efficiency in the functioning of the enterprise.

Organizational structure is the form arrangement of jobs within an organization. When managers develop or change the structure, they are engaged in organizational design, a process that involves decisions about six key elements work specialization, departmentalization, chain of command, span of control centralization and decentralization and formalization (Robbins P, 2006:234).

Organization structure is a means to a given end a tool by which selected goals are attained. It is a method of reducing the variability in the behavior those who work for the organization. It is a method of regulating a behavior in order to achieve a common purpose in coordinating manner (Narayana,P, 2000:129).

2.1.2 Meaning of organizational structure

Stephen P.Robbins has cited in Mishra, M.N (2003:361) organizational structure refers to how job tasks are formally divided, grouped and coordinated. It tells how specialized and non-specialized tasks are performed. The framework of an organization is the structure, where in the job of each and every person is defined, described and coordinated to achieve the organizational goals. The control, command division of work and placement of jobs are considered under the organizational structure. Centralization, differentiation and related factors are considered under the organizational structure.

2.1.4 Essential Feature of good organizational structure

Besides to the basic elements of the organizational structure there are essential features that must be recognizes while developing the organizational structure. (Amrik and Kumer, 2003:132) the essential features involve:

- Clear lines of Authority

There must be a clear line of authority running from the top to the bottom of the organization. Clarity of line is achieved through delegation by steps from the highest executive it the lowest worker having the least responsibility and no authority over others. Failure to clarity the line of authority, results in friction, politics and inefficiencies.

- **Adequate delegation of Authority**

Every person in the organization must get adequate authority to meet this obligation according to situation. Authority is vested in the top most executive and is delegated to his subordinates wherever necessary to meet their obligations. If sufficient authority is not delegated, the top most executive or the person vesting the authority faces various problems such as bottleneck in decision-making, delay in decision implementation, pressure on higher level, and less motivation to subordinates. This all problems hamper the growth of the organization.

- **Minimum Managerial levels**

As far as possible, the managerial levels in an organization should kept minimum. The greater the number of levels, the larger chain of command and the longer the time travelling the message up and down. Though, the number of levels is not certain, yet it serves as a guideline.

- **Unity of Direction**

Every person in the organization should be directed only by one boss as far as possible relating to a single major function. This is based on the principle of specialization and unit of direction. Multiplication of direction may create confusion and may lead to role conflict.

- **Application of Ultimate Responsibility**

The superior at higher level is ultimately responsible for the acts of his subordinates. The authority flows from superior to subordinate along with the responsibilities. The higher level manager is, hereby, not relieved of his responsibilities the acts delegate to the subordinates. He is responsible for his own duties of his subordinates.

- **Span of control**

Span of control refers to the number of subordinates, a manager can directly supervise. There is a limit on this number but this limit cannot applied universally because several factors such as nature of superior and that of subordinates, nature of work, type of planning degree of decentralization, communication techniques, etc. Affect the span control.

- **Simplicity**

The organization structure should be designed as simple as possible taking into account the essential networkers but leaving the no room for confusion and ambiguity. To many levels of communicational channels, or committees, or multiple of command or too much coordination often create more problem rather to solve them.

- **Flexibility**

The organizational structure should be flexible enough so that it can be adjusted according to changing condition in future. In other words, it should be designed in such a way that that it may fulfill not only the present needs but also along future needs of the organization because changes, in the organization is must due to various environmental changes and other compelling reasons If structure is not flexible, it will be very difficult to incorporate the change without much difficulty.

2.2 BASIC ELEMENTS OF ORGANIZATIONAL STRUCTURE

2.2.1 Chain of Command

The chain of command is an unbroken line of authority that extends from top of the organization to the lowest echelon and clarifies who reports to whom. You cannot discuss the chain of command without discussing two contemporary concepts. Authority and unit of command (Amrik and Kumar, 2003:135).

On the other hand, Robins P, in (2003:237) says, “You can’t discuss the chain of command without discussing three other concepts. Authority, responsibility, and unit of command.”

Additionally, Amrik and Kumar, (2003:135) Authority refers to rights inherent in a managerial position to give orders and expect the orders to be obeyed. To facilitate coordination, ach managerial position is given a place in the chain of command, and each manager is given a degree of authority in order to meet his/her responsibilities.

The unit of command principle helps preserve the concept of unbroken lines of authority. It states that person should have one and only one superior to whom he/she is directly responsible.

If the unit of command is broken, a subordinate might have to cope with conflicting demands or priorities several superiors. Without unit of command conflicting demands and priorities from multiple bosses can create problems (Robins P, 2003:237).

2.2.2 Departmentation

Departmentation is a means of dividing the large and complex organization into smaller, flexible administrative units. It is the organization wide division of work into various manageable units or departments. It refers to horizontal differentiation in an organization. It is the grouping of activities and employees into departments. It is method of arranging activities to facilitate the accomplishment of objectives. Departmentation permits an organization to take advantage of specialization. It enables each person to know the particular part he expected to play the total activities of the company. Decisions will be made where information, skill and competence are located. It provides an adequate platform. Around which the loyalties of organization members may be built. Departmentation make it easier for management to control and measure performance (Narayana.P, 2000:132).

Specialization is grouped together to form a job is to be performed by a department. The next step of specialization is combine similar activities into a group. Departmentation is a grouped of specialization into specific functions. Different functions are grouped on a similar basis. For example engineering, accounting, personnel, etc. are the important functions which are grouped on separate departments known by their respective functions. Departmentation is used in all type of organizations according to their objectives and functions. For example a university has different departments such as academic, administrative, teaching, etc. similarly; other organizations have different type of departments based on their objectives and activities. The Departmentation is done on several bases such as product, process, place, customer service and administration (Mishra.M.N, 2003:361).

Once you have divided jobs up through work specialization, you need to group these jobs together so common tasks can be coordinated. The bases by which jobs are grouped together is called departmentalization. One of the most popular ways to group activities is by by function performed. A manufacturing manager might organize his or her plant by separating engineering, accounting, manufacturing, personnel, and purchasing specialist in to common departments. Of

course, departmentalization by function can be used in all types of organizations. Only the functions change to reflect the organization's objectives and activities (Sudan A. and Kumer.N, 2003:134).

Functional departmentalization groups jobs by functions performed. This approach can be used in all types of organizations, although the function change to reflect the organization's purpose and work. **Product departmentalization** groups jobs by product line. In this approach, each major product area is placed under the authority of a manager who's responsible for everything having to do with that product line. **Geographical departmentalization** groups jobs on the bases of territory or geography such as southern, mid western, or north western regions or may be U.S, European, Latin American and Asian pacific regions. **Process departmentalization** group jobs on the bases of product or customer flow. In this approach work activities follow a natural processing flow of products or even of customers. Finally, **customer departmentalization** groups jobs on the bases of customers who have common need or problems that can best be met by having specialist for each (Robins P., 2003:235).

2.2.3 Formalization

Formalization is the degree to which organizations standardize behavior through rules, procedures, formal training, and related mechanisms. In other words formalization represents the establishment of standardization as a coordinating mechanism. Have you ever wondered why McDonald hamburger in St.Jerome, Quebec, look and test the same as McDonald in Singapore? The reason is that the fast food company have engineered out all variation through formalization. McDonald restaurant has a formalized structure because it prescribes every activity in a explicate detail (Mcshane.L, 2005:434).

Formalization refers to the degree to which jobs within the organization are standardized and the extent to which employee behavior is guided by rule and procedures. If a job is highly formalized, then the person doing that job has little discretion as to what is to be done, when it is to be done, and how he or she does it. Employees can be expected to handle the same input in exactly the same way, resulting in consistent and uniform output. In organizations with high formalization, there are explicit job description, numerous organizational rules and clear defined procedures covering word processes (Robins P., 2003:240).

Older companies tend to become more formalized because work activities become reutilized, making them easier to document into standardized practices. Larger companies formalize as a coordinating mechanism, because direct supervision and informal communication among employees do not operate as easily. External influences, such as government legislation and strict accounting rules, also encourage formalization (Mcshane.L, 2005:434).

2.2.4 Span of control or span of management

Span of control refers to the number of subordinates a manager can directly supervise. There is a limit on the number of subordinates but this limit cannot be applied universally because of several factors such as nature of superior and that of a subordinate, nature of work, type of planning, degree of centralization, communication technique, etc affect the span of control (Sudan A. and Kumer.N, 2003:132).

Span of management, also known as span of control, refers to the number of people a manager directly manages. In a wider span of control, a manager has many subordinates under him. In a narrow span of control a manager has fewer subordinates under him. Obviously, the numbers of subordinates that can effectively be managed for supervision and delegation of authority would be finite and depend upon a number of factors. Some of those factors are specified by Amrik and Kumar, (2003:135) as follows:

- A. **Similarity of functions:** If the subordinates are involved in the same or similarity of activities, then it is possible for the manager to supervise more subordinates. Since the problems that may arise would be similar in nature, this would be easier to handle. Conversely, if these subordinates are involved in diversified operations, the situation would be more complex and hence the span of control would be narrow.
- B. **Complexity of functions:** If the operations that the employees are performing are complex and sophisticated and require constant supervision, then it would be more difficult for the manager to manage too many employees and hence a narrow span of control would be desirable.

- C. **Geographical closeness of employees:** The closer the subordinates are to each other in a physical location the easier it will be for the manager to manage more employees.
- D. **Direction and coordination:** The span of control would also be determined by the degree of coordination required both within the units in other departments. If the units need continuous directions and extra time of managers in coordinating these activities, then fewer subordinates would be better supervised.
- E. **Capacity of subordinates:** Subordinates, who are trained, professionally develop and experienced, need little supervision in discharging their duties. In such situations, more subordinates can be effectively supervised. These subordinates can further be providing them with “standing plans” which are applicable in repetitive actions and routine recurring problems, thus requiring less supervisory assistance.
- F. **The working staff of the manager:** If the manager has a supporting that is equally skilled in handling situations, then it would be possible to manage a wider span of control because the responsibilities of supervisors would be shared.

2.2.5 Work Specialization

Work specialization is the degree to which tasks in an organization are divided into separate jobs also known as division of labor (Robins, P, 2003:234).

Specialization is another component of organizational structure. Each and every part of the whole work is done by specialized people. The total work is broken up into small parts and the responsibility of performance of each part is assigned to experts. This makes people more specialized and active. There may be further subdivision of each part to make it more specialized. Each step is completed by skilled labor. The specialized of whole activity is possible by breaking the total work in to separate parts, sub-divisions and steps. Specialization makes all the work more useful, whether it involves skilled or unskilled functions. Even highly sophisticated tasks can utilized through specialization. The skills of the employees increase by repetition. Complex and sophisticated operations are performed easily by acquiring skills and specialization. It is a well known fact that the level of specialization increases along with the technological development. Specialization has increased performance and employee’s satisfaction (Mishra,M.N, 2003:361).

Ford demonstrated that work can be performed more efficiently if employees are allowed to specialize. Today we use the term work specialization or division of labor to describe the degree to which tasks in the organization are subdivided into separate jobs. The essence of work specialization is that rather than an entire job being done by one individual, it is broken down into a number of steps, each step being completed by a separate individual. In essence, individuals specialize in doing part of an activity rather than the entire activity. In most organizations, some tasks require highly developed skills; others can be performed by the untrained. If all workers were engaged in each step of, say, an organization's manufacturing process, all would have to have skills necessary to perform both the most demanding and the least demanding jobs. The result would be that, except when performing the most skilled or highly complex tasks, employees would be working below their skill levels. And since skilled workers are paid more than unskilled workers and their wages tend to reflect their highest level of skill, it represents an inefficient usage of organizational resources to pay highly skilled workers to do easy tasks (Amrik and Kumar, 2003:130).

Specialization refers to the division of labor within the organization. A typical organization is divided along functional lines (e.g. marketing, production, accounting, etc.), which encourages specialization within each function. Generally there are two different ways in which tasks can be divided and assigned. The first is to give broadly trained specialists a comprehensive range of activities to perform.

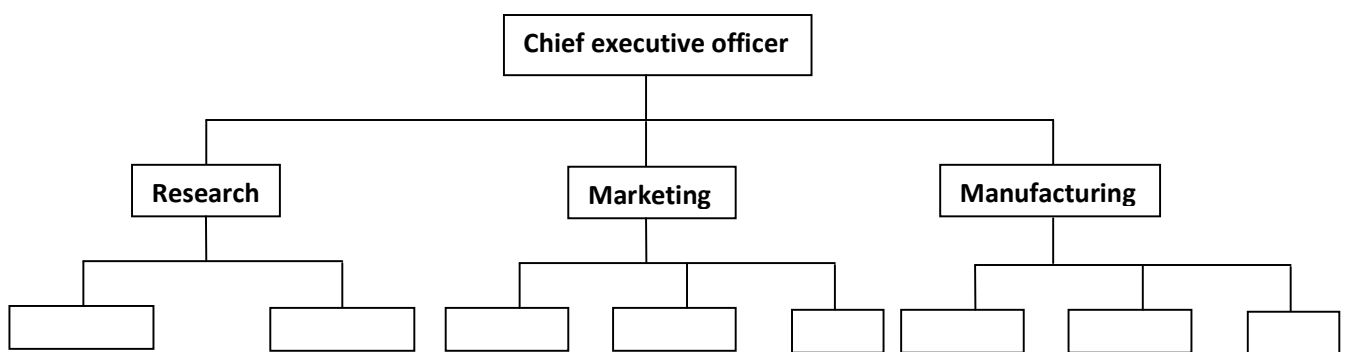


Fig.11-1 Basic hierarchical with functional specialization

The second is to sub-divide the activities into small, well specified tasks that non specialists can be easily trained to perform. Examples of former are professionals and craft workers; the larger is the exemplified by an assembly line occupation. Organizations may be more or less specialized, depending not only on the products or services they provide but also on the organizational philosophy of management (Davis B, 2000:334).

Managers also looked for other efficiencies that could be achieved through work specialization. Employee skills at performing a task successfully increase through repetition. Less time is spent in changing tasks, in putting away one's tools and equipment from a prior step in the work process, and in getting ready for another. Equally important, training for specialization is more efficient from the organization's perspective. It is easier and less costly to find and train workers to do specific and repetitive tasks. This is especially true of highly sophisticated and complex operations. (Amrik and Kumar, 2003:130)

2.2.6 Centralization/Decentralization

In some organization, top managers make all the decision and lower level managers and employees simply carry out their orders. At the other extreme are organizations in which decision making is pushed down to the managers who are closest to the action. The former organization are centralized, and the latter are decentralized (Robins P., 2003:239).

Centralization means that formal decision making authority is held by small group of people, typically those at the top of the organizational hierarchy. Most organizations being with centralized structures, because the founder makes most of the decisions and try to direct the business toward his or her vision. But as organizations grow, they diversify and their environments become more complex. Senior executives are not able to process all the decisions that significantly influence the business (Steven.L, 2005:433).

Centralization describes the degree to which decision making is concentrated at a single point in the organization. If top managers make the organizations key decisions with little or no input from below, then the organization is centralized. In contrast the more that lower level employees provide input or actual decisions, the more decentralization there is. Keep in mind that the concept of centralization- decentralization is relative, not absolute- that is, an organization is never completely centralized or decentralized. Few organizations could function effectively if all

decisions were made by only a select group of top managers; nor could they function if all decisions were delegated to employees at the lowest levels (Robins P., 2003:239).

There tend to be an association between centralization and hierarchy. A flat hierarchy with a wide span of control is more likely to be associated with decentralization of authority and decision making; a tall hierarchy with narrow span of control is likely to be associated with centralization. It also related to formalization. In a highly formalized organization, operating personnel as low levels make decisions based on rules and procedures provided to them; exceptions are referred to higher levels for decisions (Davis, B, 2000:335).

2.3 Purpose of organizational structure

For over 2000 years, organizations have been structured as a means of getting large numbers of people to work toward a common goal, be it building a pyramid or fighting a war. Organizational structure provide the systems architecture through each the essential tasks of an enterprise are sub divided and grouped to create the process, decision centers, and a behavioral; network that carries out enterprise strategies.

For centuries an organizational structure has been represented the boxes and lines an organizational chart. The tangible symbol of positions and reporting relationship throughout an enterprise such approaches to organization have been essentially hierarchical in structure, which thus affected human behavior because structure can make it easy or difficult for people in separate work units to talk and work with one another. Structure affects the way people size up situations, the way they interact with others, what they value and believe to be important, time horizon, and even management style a phenomenon called differentiation, which we describe later in the chapter. Largely during your lifetime organizational designs have shifted to be less hierarchical structured, yet grouped and linked in ways that promote creativity and continuous improvement behaviors rather than conformity. Organizational design is the process managers go through to create meaningful structures, decision and information networks, and governance systems. Organizational design provides for:

1. The dividing and grouping of tasks
2. Network to convey information
3. A structure for locating decision centers, or authority

4. Process for coordination, control, and conflict resolution and
5. The means to link key work units with appropriate external stakeholders such as customer and suppliers. Designing an organization involves deciding how the enterprise should be managed and led as much as it does creating structures to subdivide and allocate tasks (Cutis. w, and Phillip.L, 2001:87).

2.3.1 Benefit of organizational structure

According to Amrik and Kumar, they specifies some benefits of the organizational structure on the book of organizational behavior and it says that while there are many different structures that organizations can adopt, depending up on the type of organization including whether it is a service organizations or a manufacturing organization, a well structured organization has many benefits. Some of the beneficial outcomes of a good organization are:

- 1 .A good organization facilities attainment of objectives through proper coordination of all activities. It has a built in system of checks and balances so that the progress toward attainment of objectives is evaluated along the way and any new decision required are taken.
2. In a good organization, the conflicts between individuals over jurisdiction are kept to a minimum. Since each person is assigned a particular job to perform, the responsibility of performing that job rests solely with him. Hence interdependency is reduced to a minimum.
3. It eliminates overlapping and duplication of work. Duplication only exists when the work distribution is not clearly identified and the work is performed in a haphazard and disorganized way. Since a good organization demand that the duties be clearly assigned, such duplication of work is eliminated.
- 4.it decrease likelihood of run a rounds occur when we do not know who is responsible for what and we are sent to wrong people for getting some work done. However in a well organized company where the responsibilities are clearly established, this does not occur.
5. It aids in wage and salary administration. A fair and equitable wage and salary schedule is based upon the premise that the jobs with similar requirements should have similar benefits. If this requirements are clearly established and the yearly increments or the cost of living

increments for each type of job are clearly and properly understood, then compensation administration policies are easier to apply.

2.3.2 objective of organizational structure.

- The economic and efficiency performance of the organization and the level of resource utilization.
- Monitoring the activities of the organization
- Accountability for the areas of the work under taken by groups and individuals members of the organization and individual members of the organization.
- Coordination of different parts of the organization and different areas of work.
- Flexibility in order to respond to future demands and developments, and to adapt to changing environmental influence.
- The social satisfaction of members working in the organization. (Mullins.J, 1996:332)

2.4 Factors Influencing Organizational structure

Mishra M.N. (2003:366-367) states that the organizational structure lies it in between the two extremes, i.e. mechanistic and organic, as per the factors influencing the structure. The important factors influencing the structure are corporate strategy, size, technology and environment.

Corporate strategy

The corporate strategy has an important impact on the structure. The dictatorial strategy of an organization requires a bureaucratic structure. The mechanistic structure is loosened under the democratic strategy. A structure is developed to achieve the objectives through the application of corporate strategy. The structure is determined according to the strategy. The hierarchical structure depends on the overall strategy at the corporate and departmental levels. Structure and strategy are closely linked. If there is any change in the strategy, the organizational structure is also changed. It is therefore, essential to make a structure which can adapt itself according to the changes in the strategy. The strategy frameworks are imitation, innovation and cost minimization. Imitation does not mean the limitation of other strategies. It refers to following its own previous strategy. The previous strategy helps to find out the suitable strategy for

minimizing costs and maximizing revenue. The scientific researchers are followed and utilized in the organization. The innovation strategy refers to the changes in the existing strategy for the better. The technological developments are included in the strategy. Cost minimization refers to the curtailing of unnecessary expenditure. Innovation strategy deals with low specialization, low centralization and standardization. Plainly, it is stated that the innovation strategy encourages the organic structure and cost minimization strategy helps to maintain the mechanistic structure, where in control specialization, formalization and centralization are at a high level. The imitation strategy has a mix of mechanistic and organic strategy.

Size

The size of an organization has important bearings on the organizational structure. A large organization cannot perform effectively with simple or bureaucratic structure. It to adopt the matrix structure. An organic structure is suitable for a small organization. The mechanistic approach is more suited for a big organization. Specialization, departmentation, formalization and decentralization are required for big and organizations. A wide span of control and functional command are also needed for large organization. The imitation strategy, wherein the mixes of organic and mechanistic approaches are adopted, is more suitable for large organizations. The structure should have more adoptability as the increases. The number of factories and offices may expand as per the need of person, place and position.

Technology

Technological developments influence the structure. A sophisticated technique require a mechanistic approach, where in high specialization rigid departmentalization, clearly chain of command, narrow span of control and high formalization are needed. Decentralization increases innovation and technological development. Technology refers to how input is transferred into output and how it is applied in all the areas of management, viz finance, marketing, personnel, production. Routine tasks are related with departmentalization and formalization. Centralization is useful only routine technology. Innovative techniques, decentralization is essential.

Environment

The environment is the reactive results of various internal and external factors influencing the behavior of people in an organization. The behavior of managers, employees, customers, distributors' government agencies and outsiders decides the specific form of the environment. It is not static, but is changing from time to time and place to place according to the needs of people and organizations. The environment influences the behavior of people of an organization and is also in turn influenced by their behavior. A situation has a great role to play in shaping the environment. Organizations with a relatively static environment face less turbulence as compared to those organizations, wherein the environment is changing. Uncertainty in the environment influences the adoption of a particular structure. The capacity, complexity and volatility of the environment influence the organizational structure.

2.5 Classification model of organizational structure

The classical model refers to the traditional systems of organization. It has been formulated by Max Weber, F.w.Taylor, Rolf E. Rogers and others. Among all the theories under the classical models, the important theories are bureaucratic model and scientific management model and these two models very clearly stated by Mishra M.N. (2003:368) as follows:

2.5.1 Bureaucratic model

The first person who put bureaucracy in a model forms was Max Weber, who in his book, the theory of social and Economic organization has expressed bureaucracy as an ideal organizational structure. He emphasized that it is a specified sphere of competence. The bureaucracy model as suggested by Max Weber has division of labor, the specialization, hierarchy, abstract rules, impersonal relationships and qualifications.

Division of labor: works divide into different parts and each part is given to a laborer who interested in the job and has the competence to perform that promotion of the job. Employees are obligated to perform their functions. The division of labor is done systematic ally with a set of authority and responsibility. The importance of carrying out authority to perform assigned duties has been realized since the beginning of civilization.

Specialization: The division of labor creates specialization, as performing the same type of job makes the employee more competent. It is essentially to accomplish the goals of an organization. Highly specialized functions make employees satisfied as they get the feeling of being distinct. The responsibility easily carried out as the specialized job is well defined. No other member infringes upon the rights of the specialized job. Specialization increases the speed of work. Productivity is increased along with proficiency.

Hierarchy: A bureaucracy based on hierarchy which defines the scope of authority that can be exercised by super-ordinate on the subordinates. The successes of an organization depend on the principle of hierarchy. Max Weber has pointed out that bureaucracy provides the controlling structure that is essential for any organization. It is a natural order and a human desire to control others. The authority control is given only to those people who have adequate restraining power over themselves. Otherwise the misuse of power will mar the basic object for an organization. People enjoy hierarchy and are motivated to work hard to go up in the hierarchical order. Hierarchy achieving the organizational goals. It has the capacity of increasing employees' satisfaction and organizational performance.

Abstract rules: Rules and regulations are formulated to manage the bureaucratic organizations. It is said that rules are gods-for the employee working in a bureaucratic system. Going beyond rules makes employees punishable although it increases productivity and the performance. Rules are permanent where as employees may come and go. It provides perpetual succession in the organization. Rules ensure uniformity and co-ordination of functions. The differences in task performance and uncertainties are narrowed down by rules.

Impersonal relationships: an official relationship is more prominent in a bureaucracy than a personal approach to the employees. A bureaucracy has a formalistic impersonality without love and affection, hatred and passion and without personal sentiments and attachment. An impersonal attitude is developed to make the organization a healthy body. There is no influence of society and individuals on the corporate decision in an organization. There is no prejudice and preference.

Qualifications: The bureaucracy develops only on qualification and recognition of merit. Employment evolves a lifelong career and the employees should be promoted only on merit and qualification. This provides stability and control. Qualification provides definiteness and promptness of decisions. Rational and impersonal decisions are possible if the selection, promotion and business decisions are based on merit. The job decides the nature of merit.

2.5.2 Scientific management model

Frederik W. Taylor, a mechanical engineer, has sponsored the scientific management structure. On the basis of his observation of the working pattern and investigation, he concluded that there is enough scope for managing the functions and people scientifically. He empirically studied their activities and initiatives. On that basis, he designed the organizational structure to get optimum efficiency. The rules and regulations stipulated under the bureaucracy are scientifically modified. Individual activities as well as corporate activities are systematically studied. Practical rather than theoretical findings were utilized for creating scientific structure. This was done by replacing the rule of thumb, by developing the elements of mans work, by scientifically selecting and training the workman, by using principles of science, in corporation and by division of work. The principles scientific management include reducing inefficiency increasing systematic management of man and materials and also the use of scientific management in all human activities.

CHAPTER THREE

DATA PRESENTATION, ANALYSIS AND INTERPRETATION

This chapter deals with analysis and interpretation on the basis of data gathered through questionnaire and interview. In order to obtain information for the study a total of 38 copies of questionnaire were distributed to employees of Kadisco Paint Industry. The employees (respondents) randomly selected from five directorates. Out of the total (42), 38 were correctly filled and returned. Moreover, the student researcher held interview with the division Head of Human Resource Development to get additional information.

In order to make the presentation simple and understandable, the data are organized in the form of tables and presented here under.

3.1 GENERAL INFORMATION

TABLE 1: GENERAL INFORMATION

NO	ITEM	RESPONDENTS	
		NUMBER	%
1	SEX:		
	MALE	25	66
	FEMALE	13	34
	TOTAL	38	100
2	AGE:		
	18-24	4	10.5
	25-34	18	47.3
	35-44	10	26.3
	45-54	5	13
	55 Above	1	2.6
	TOTAL	38	100
3	EDUCATIONAL LEVEL:		
	Below 12 Grade	3	8
	12 Grade	5	13
	Certificate	7	18.4
	Diploma	15	39.5
	B.A Degree	7	18.4
	M.A Degree and above	1	2.6
	TOTAL	38	100
4	YEARS OF EXPERIENCE		
	1-3Years	21	55.2
	4-6Years	12	31.5
	7-9Years	3	8
	Above 10years	2	5.2
	TOTAL	38	100

Table 1. Indicates Sex, age, educational qualification and the respondents work experience.

According to the table in item number 1, out of the total 38 respondents, 25(66%) were males and the remaining 13(34%) were females. From this one can understand that there was greater number of males employees in the organization.

Regarding the age of the respondents, 4(10.5%) was between 18-24 years old. Next 18(47.3%) of the respondents were within the range of 25-34 years, from 10(26.3%) were from 35-44 years, 5(13%) were from 45-54 years and finally 1(2.6%) of them were 55 and above years of age. This implies that the respondents were youngsters who are productive.

As can be seen in table 1 item number 3 with regard to educational background of the respondents, 3(8%) had below 12 grade, 5(13%) had 12 grade finished, 7(18.4%) had certificates, the next majority is 15(39.5%) had diploma, 7(13%) had their first degree and only 1(2.6%) had M.A degree or above. Hence the majority of the respondents were certificate diploma holders.

Table 1, item 4 shows years of employee experience. Accordingly, 21(55.2%) of the respondents had between 1-3years of service, 12(31.5%) had an experience in between 4-6years, 3(8%) had an experience in between 7-9years and 2(5.2%) had an experience above 10years. Hence, the organization held employees who had almost all levels of experience in the organization. Therefore, one can see that it was possible to get all levels of information from employees with diversified year's experience.

From the observation of current job and qualification, we can observe that there is discrepancy. It is clearly seen the qualification and current job does not meet. I have witnessed that current job require low level of qualification like diploma. It is waste of human resource to place highly qualified creative and innovative people on routine task.

According to the replays, this kills human potential. From the researcher point of view it would be beneficial to assign or allocate the right human resource on the right place to create a win win situation and profitable socially responsible organization.

3.2 Formation of structure

Table 2 question related to formation of structure

NO	Description	Strong agree		Agree		Neutral		Disagree		Strong agree		TOTAL	
		No	%	No	%	No	%	No	%	No	%	No	%
1.	"There is clear responsibility and authority relationship with in the structure"	8	21	25	66	5	13	-	-	-	-	38	100
2.	"The communication of employees and managers are efficient "	10	26.3	23	60.5	5	13	-	-	-	-	38	100
3.	"The employees were involved when the structure of the company was designed"	8	21	17	45	11	29	1	2.6	1	2.6	38	100
4.	How often the objective of organization?	30	79	7	18.4	1	2.6	-	-	-	-	38	100
5.	"Every employee in the organization is directed only by one boss"	6	16	10	26.3	3	8	15	39.4	4	10.5	38	100
6.	To what extent you get satisfied with information flow between superior and subordinate?	9	23.3	9	23.6	17	45	3	8	-	-	38	100

As it can be clearly observed from item 1 of table 2, 8(21%) the respondents are strongly agree, 25(66%) the majority of the respondents claimed that they agree, on the other hand, 5(13%) the respondents claimed that neutral with the statements. Thus, it is possible to see that only very few portion of the employees are dissatisfied with clear responsibility and authority relation with in the structure.

As it is indicated in the above table in item 2, 23(66.5%) the majority of the respondents are claimed that agree with in the statements employees were involved when the structure of the company was designed. As it was shows 10(26.3%) the respondents strongly agree with in the statements. And finally 5(13%) of the respondents said that neutral with the statements. Hence,

from the respondents we can say the majority of employees are satisfied with the flow of the efficiency of in their interaction with the managers.

As it can be seen in the above item 3, 8(21%) the respondents claimed that they strongly agree with the statements, 17(45%) the majority of respondents claimed that they agree, 11(29%) the respondents claimed that they are neutral only, 1(2.6%) of them also said disagree and the remaining 1(2.6%) remained strongly disagree with in the statements. Hence, from the data it is possible to inter that employees are satisfied with their level of involvement when the structure of the company was designed.

Table 2, item4, as it was show 30(79%) the majority claimed that they very often with the statements of achieve objective of the organization, 7(18.4%) the respondents claimed that they often and finally 1(2.6%) the respondents claimed that they sometimes. Hence, from the respondents we can say the majority of the employees are satisfied the departments in line to achieve the objective of the organization.

As can be seen in the above item 5, 15(39.4%) the majority the respondents claimed that they disagree with in the statements of by one boss, 10(26.3%) the respondents claimed that they agree, 6(16%) the respondents claimed that they strongly agree, 4(10.5) the respondents claimed that they strongly disagree and finally 3(8%) the respondents claimed that they neutral. According to the majority of the responses in the organization responded are not directed only by one boss.

As can be seen on item 6, Out of the total the respondents 17(45%) of the majority of the respondents claimed that they medium within the statements information flow between superior and subordinates, 9(23.6%) of them also said very high and remaining 9(23.6) remained high, 3(8%) the respondents claimed that they low. Hence, it is possible to say the majority of the respondents are medium information flow in their Kadisco Chemical Paint Industry.

3.3 Departmentalization

Table: 3 Questions Related to Departmentalization Rank

NO	ITEM	Weighted average	RANK
	Rank the following bases of departmentation in terms of their relevance to your practical working situation. (rank from 1-5 beginning from the top recommended one)		
1	By function base	4.64	1
2	By product base	3.57	2
3	By process base	3.39	3
4	By customer base	2.59	4
5	By geographical base	1.25	5
	TOTAL	15.44	

As can be seen in table 3 above, departmentation by function was ranked first followed by product bases and then process basis. Customer based departmentation and geographical base are ranked 4th and 5th respectively. This implies that respondent were ranked departmentalization by geographical base .

Hence most of the respondents are ranked departmentalization by function in terms of their relevance to your practical working situation.

TABLE: 4 QUESTIONS RELATED TO DEPARTAMENTALIZATION

No	Description	Very high		High		medium		Low		Very low		TOTAL	
		NO	%	NO	%	NO	%	NO	%	NO	%	NO	%
1.	To what extent the activities that are carried out in your department related to each other?	29	76.3	5	13	1	2,6	-	-	3	8	38	100
2.	where do your rate the diversification of the product you sale /service you render to your customer?	31	81.6	4	10.5	3	8	-	-	-	-	38	100
	Description	Strongly agree		Agree		Neutral		disagree		Strongly agree		TOTAL	
		NO	%	NO	%	NO	%	NO	%	NO	%	NO	%
3.	" Customer do obtained service/product from your company within a short period of time"	12	31.5	26	68.4	-	-	-	-	-	-	38	100

As can be seen in table 4, in item 1, the majority of the respondents 29(76.3%) feel that the activities carried out in the department are related to each other by rating very high. Similarly, 5(13%) of the respondents reacted with similar feeling by rating high. Hence, this shows that the respondents are very much comfortable about the relatedness of the activities carried out there.

As can be seen in item 2, 31(81.6%) the majority of the respondents are claimed that rated the diversification of the company's products as very high. About 4(10.3%) of the respondents are rated as high and finally 3(8%) of the respondents are claimed that medium within the statements. Hence, most of the respondents feel that the company product is divers enough. But, product/service based departmentation was ranked as the 2nd most important bases. Thus, it is possible to inter that.

It is revealed table 4 of item 3, 26(68.4%) of the respondents agree with the statement customer do obtain service/product with a short period of time. On the same taken, 12(32.5%) of the respondents strongly agree with the statement. Thus, though not triangulated with responses of the customers, the employees are comfortable with the existing level of service delivery efficient

3.5 Organizational Structure Effort

TABLE 5: Integration of Organization Structure Effort

No	Description	Strongly agree		agree		Neutral		Disagree		Strongly disagree		TOTAL	
		NO	%	NO	%	NO	%	NO	%	NO	%	NO	%
1.	"The activities of all individuals concentrated and integrated in common pattern"	10	26.3	27	71	1	2.6	-	-	-	-	38	100
2.	"There is a clear line of authority"	11	29	24	63	3	8	-	-	-	-	38	100
3.	"Each individual in the organization is assigned within a clear role"	14	37	19	50	4	10.5	1	2.6	-	-	38	100
4.	"Each individual in the organization is assigned within a reasonable responsibility"	12	31.5	24	63	2	5.2	-	-	-	-	38	100
5.	"Each individual in the organization is assigned with a commensurate authority"	12	31.5	20	52.6	5	13	1	2.6	-	-	38	100
	Description	Very high		High		Medium		Low		Very low		TOTAL	
		NO	%	NO	%	NO	%	NO	%	NO	%	NO	%
6.	Where do you rate the extent of delegation tradition in your organization?	5	13	28	74	5	13	-	-	-	-	38	100

As it is presented in the above table 5 of item 1, 27(71%) of the respondents claimed that they agree with the statements “the activities of all individuals concentrated and integrated in common patterns”, 10(26.3%) of the respondents claimed that they strongly agree. From the respondents we can say the majority of the employees are assigned based on their activities.

As can be seen the above item “2” 24(63%) of the respondents claimed that they agree with statements a clear line of authority, 11(29%) of the respondents claimed that they strongly agree and finally 3(8%) of the respondents claimed that they neutral. Hence, from the data it can be seen that the employees are satisfied in clarity of line of authority in the company.

As can be seen in item “3” of table 5, the majority of the respondents 19(50%) agree that they are assigned with a clear role in their post. Similarly, 14(37%) of them also strongly agree with the statements, thus it is possible to see that only a very few portion of the employees are dissatisfied with the proposition. Only few of them are in role confusion.

As can be seen in item “4”, the majority of the respondents 24(63%) agree that they are assigned within the responsibility. Similarly, 12(31.5%) of the respondents are strongly agree with the statements and finally 2(5.2%) of the respondents are neutral with the statements. Thus, it is possible to see that only a very portion of the employees are dissatisfied with the proposition. Only few of them are in responsibility confusion.

As can be seen in item “5”, the respondents 12(31.5%) are strongly agree with the statement. About the majority of the respondents 20(52.6%) agree that they are assigned with a commensurate authority. As it was show 5(13%) of the respondents are neutral with the statement and finally 1(2.6%) of the respondents are disagree. Hence, it is possible to see the employees are dissatisfied in authority.

As it is present the above item “6”, the majority of the respondents 28(74%) high that they do you rate the extent of delegation in the organization. About 5(13%) of them also very high and remaining 5(13%) remained medium with the statements. Hence, it is possible to see the majority of the employees dissatisfied with the proposition. Only few of them are in delegation confusion. .

3.6 Qualitative Data Analysis

In order to cross check the Data from the questioners, the student researcher held in-depth Interview with the general Manager and Operations Manager of the Organization. Accordingly, the results of the interview are presented here under.

1. What do you feel about the width of span of control in your industry?

The replay from the managers was, the Kadisco Paint Factory is doing well in the span of control. The company controls the employees working hour, professionalism and also control material handling and order of material from outside of the country as well as from within. From the reply, the researcher point out that the span of control is in a good condition that all the employees and the managers agree with the method that they are following.

2. How the authority is delegated to the employees?

The authority of the company delegated to the employees in good manner. The executive manager there are two authority, this are administration and production manager and both have their own delegated employees like the production manager has chemical lab manager and the administration manager has accounting department and sell department and so on. While the authority is delegated to the employees, it will empower them to be responsible to accomplish their job in a desirable way. The delegation of authority shows the sign of respect and trust for the employees. As a result this is one way of motivating the employees.

3. How do you see the flexibility of the organizational structure in Kadisco Chemical Paint Industry?

In order to do their work gently and speedy were designed flexible structure and this help them work with their employees easily and to satisfied their customer. When the organization structure is flexible, the flow of information will be high; the communication of the employees will increase. But in Kadisco Paint Factory the organizational structure is less flexible. This is because; when the authority is delegated to employees they are expected to do their assigned work.

4. How do you see the decision making practice in your company?

The decision making practice in the company has long history which means from the beginning of their company practice the decision making not only the decision making given by the point of the general manager it also by employees of the company. As the result to this reply, the researcher conclude that the decision making practice is done by the managers and the employees. When the employees involvement increase in organizational affairs and decision making process the sense of belongingness among the employees will increase. On the other hand, the involvement of the employees on the decision making process will help the organization to gather different opinions and enable to use every available opportunity at hand.

5. What basis of departmentation that you generally followed in your organizational structure? How the tasks are formally divided, grouped and coordinated?

The structure of the organization is vertical. The line of order flow from top to bottom and the participation of the employees always consider in the organization. The similar task are divided and grouped under same department and coordinated by manager.

For the effective administration and management the departmentation of the tasks is the key factor. When the organization group similar activities together repeated tasks will be omitted and time will be saved.

6. To what extent do you allow the employees to participate in designing or redesigning of organizational structure?

The manager stated that employees are involved in every situation because the employees play big role in the company so they participate in the designing and, if needed, in the redesigning of organizational structure. The researcher perceives that, for the organization to be successful the involvement of the employees does always matter. In Kadisco Paint Factory, the participation of employees in designing or redesigning of organizational structure has a positive influence in the overall organization performance.

CHAPTER FOUR

SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

The ultimate objective of this study focus on employees attitude on organizational structure, a case study on Kadisco Paint Industry. In order to achieve this objective, related literature were reviewed and interview was held with the division head of human resource management Department and questionnaire was distributed to the sample respondents.

The data obtained were presented using the percentages and summarized as show below. Moreover, base on the summery, conclusions are drawn and recommendations are forwarded.

4.1 Summary of the major findings

The following are the summery of the majority finding of the data interpreted and analyzed above.

- The sex ratio in the institution shows that there are 25 (66%) of male employees. But interview results and organizational documents shows that there is no discrimination on employees hiring and employees got their work position based on their qualification.
- As can be revealed from the responses, the age, educational qualification, years of experience and their assigned task was not the barrier to be on the positive side of their organization.
- Both the managers and the majority 25 (66%) of the respondents replied that their clear responsibility and delegation of authority is adequate to satisfy all the employees in the organizational structure.
- The other large number was 24 (63%) agreed that there is clear line of authority. Also the largest replies of agreement were given for the individual in the organization is assigned with a clear role and reasonable responsibility.
- As the managers replies emphasized on the participation of the employees in the designing and redesigning of the organizational structure, less than half of the samples from the employees 17 (45%) replied the same thing.

- It is revealed from the responses of great majority respondents are 23 (60.5%) of the communication employee with the managers are satisfied.
- Both the managers and the majority of 30 (79%) of the respondents replied that the objective of the departments in line to achieve the objectives of the organization.
- The largest number 15 (39.4%) of the respondents disagree with the employee in the organization is directed only by one boss.
- The majority of 17 (45%) of the respondents replied that the level of satisfaction on flow of information between superior and subordinates is medium.
- Both the managers and employees know that the organization structure is vertical and the majority of the respondents replied the organization that they are working in follow departmentation by function base.
- The result that was revealed from the activities that are carried out in your department related to each other replies number was 29 (76.3%).
- The significant largest number 31 (81.6%) of the respondents replied that they rate the diversification of the product that they sale their render to their customer.
- It is revealed from the responses of the majority 26 (68.4%) of the customer do obtain product from their company within a short period of time.
- The largest responses were given to the activities of all individuals concentrated and integrated in common pattern was 27 (71%).
- The majority of the respondents 20 (52.6%) replies agree that each individual in the organization is assigned with a commensurate authority.
- Significant number 28 (74%) replies rated it high that the extent of delegation of tradition in their organization.

4.2 CONCLUSIONS

After the analysis is done, the researcher concludes this research by the following points:

- According to the data and replies from the interview highlight, the communication of the employees and manager is efficient and the level of satisfaction on flow of information between superior and subordinate is on medium level.
- Other issue the researcher observes, each individual in the organization is assigned with a commensurate authority and the extent of delegation tradition in organization is high.
- Based on the majority of employees' response, the researcher point out that, there are highly diversified products in the company and the customers obtain service/ product from the company within short period of time.
- The result shows that the majority of the employees agreed that there is a clear responsibility and authority relation within the structure. The activities of all individuals concentrated and integrated in common pattern. This is the result of the organization use clear role and reasonable responsibility.
- As the majority of replies agreed that the researcher come to an end, the employees were involved with the management when the structure of the company was designed.
- The researcher observed that the organizational structure is vertical and from the employees replies the departmentation is done by function base and highly rated agreement the activities that are carried out by department is related to each other.
- At last the objectives of the departments in line to achieve the objective of the organization very often. As the researcher concludes, some of the employees dissatisfied with the organization are directed only by one boss.

4.3 RECOMMENDATIONS

The researcher likes to recommend the following points which are drawn from the study for the betterment of the organizational structure of the Kadisco Paint Factory.

- It is believed that information is one of the important factors in development and continuous growth of the organization. The organization should maximize the level of access to reliable information. Besides, managers create and facilitate the flow of necessary information and accessibility for any individual in the organization.
- The researcher also recommend, by arranging more training, meetings and seminars the organization can increase the level of involvement of employees in organization structure designing activity. This will decrease the level of disagreement and increase the level of belongingness of the organization among the employees.
- To eliminate the complexity in span of control and to increase accuracy in work the organization has to clearly state the responsibility of an individual and make the report system only to one boss.
- Finally, to obtain more customers, the level of creativity or diversification of products should be developed while the products and diversify with increasing the quality, level of satisfaction of customers will increase.

St.Mary's University College

Faculty of Business

Department of Management

A questionnaire to be filled by the employees of Kadisco Paint Industry. The purpose of this study is to assess the organizational structure of Kadisco Paint Industries. I would like you to share your views on the issue. Your participation in the study will take less than 15 minutes. Please note that any information to be obtained from you will be exclusively used for the purpose of the research. I would like to thank you for your willingness to answer this research questionnaire.

Note:

- No need of writing your name
- Put a " X" mark in the box of your choice and use the space given for the open ended questions

I. General information

1. Gender

Male Female

2. Age

18-24 25-34
 35-44 45-54 55 and above

3. Education

Below 12 grades 12 grade Certificate
 Diploma B.A degree M.A& above

4. Qualification_____ Current Job_____

5. How long have you been working in this organization?

- 1-3years 4-6years
 7-9years Above 10 years

II. Questions related to Formation of structure

6." There is clear responsibility and authority relationship with in the structure"

- Strongly agree Agree Neutral
 Disagree Strongly disagree

7." The communication of the employees and managers are efficient"

- Strongly agree Agree Neutral
 Disagree Strongly disagree

8." The employees were involved when the structure of the company was designed"

- Strongly Agree Agree Neutral
 Disagree Strongly agree

9. How often the objectives of the departments in line to achieve the objective of the organization?

- Very often Often Sometimes
 Rarely Very rarely

10. Every employee in the organization is directed only by one boss

- Strongly Agree Agree Neutral
 Disagree Strongly disagree

11. To what extent you get satisfied with the information flow between superior and subordinates?

- Very high High Medium
 Low Very low

III. Questions related to Departmentalization

12. Rank the following bases of departmentation in terms of their relevance to your practical working situation.(rank from 1-5 beginning from the top recommended one)

- By function base By product base By geographical base
 By process base By customer base

13. To what extent the activities that are carried out in your department related to each other?

- Very high High Neutral
 Low Very low

14. Where do you rate the diversification of the product you sale/service you render to your customers?

- Very high High Medium
 Low Very low

15." Customer do obtain service/ product from your company with In a short period of time"

- Strongly agree Agree Neutral
 Disagree Strongly disagree

St. Mary's University College

Faculty of Business

Department of Management

These interview questions are designed for an interview to be carried out with Kadisco Chemical Paint Industry. The purpose of this interview is to gather data about organizational structure and practice of organization.

1. What do you feel about the width of the span of control in your industry?
2. How the authority is delegated to the employees?
3. How do you see the flexibility of the organizational structure in Kadisco Chemical paint Industry?
4. How do you see the decision making practice in your company?
5. What basis of departmentation that you generally followed in your organizational structure? How the tasks are formally divided, grouped and coordinated?
6. To what extent you participate employees in designing or redesigning of organizational structure?