

What Is Leadership? A learning organization is one that has developed the continuous capacity to adapt and change. The key elements of the matrix structure is that it gains the interactions between the functional and product departments by coordinating complex and interdependent activities to help reach the goals set forth in an efficient manner opening up avenues for new ideas to achieve the company's mission. Certain characteristics will help develop high ethical standards, such as a high tolerance for risk, so people are not afraid to make mistakes; low to moderate in aggressiveness so that unethical behaviors are avoided and a focusing on the means as well as the outcomes so that ethics is embedded in both. The fourth technique is engaging in team building tools to increase trust and openness through increased interactions. Intergroup development is an organizational development tool that attempts to change the attitudes, 57 stereotypes, and perceptions that groups may have of each other. A narrow span can allow for more direction but can add layers of management, increase the complexity of the vertical communication, and encourage overly tight supervision, limiting employee autonomy. Nine influence tactics like: Legitimacy; Rational persuasion; Inspirational appeals; Consultation; Exchange; Personal appeals; Ingratiation; Pressure and Coalitions. This is done so that the founders' behavior will become the behavior to model after in order to succeed in the organization and to fit in. How Organizational Cultures Form Organizational cultures begin with the founder of the organization, continue through the hiring of people who see things similarly, and are enforced through top management and socialization. Management deals with the complexity of the organization and works with planning, organizing, leading and controlling to bring about order and consistency in the organization. Definition of Power Power refers to the capacity one person has over the other person to get them to do what they want. The key elements of organizational structure include work specialization, departmentalization, chain of command, span of control, centralization and decentralization, and formalization. This structure creates dual lines of authority and combines functional and product departments in a way to effectively meet organizational goals. Virtual organizations are highly centralized with virtually no departmentalization to provide maximum flexibility, focusing on what the organization does best. Cultures that may pressure employees to conform can be a barrier to hiring, developing, and promoting a diverse workforce. Creating an Ethical Organizational Culture As cultures are created, it is important to incorporate ethics into the cultural norms from the very beginning. The second technique is the survey feedback approach where the organization will use a questionnaire to identify discrepancies among member perceptions and then follow up with discussions and plans for improvement. Innovation can occur through structural variables, long-tenured management, limitation in resources, or increased communication between units. Organizational structure depicts how job tasks are formally divided, grouped, and coordinated. In a bureaucratic environment, conflict often arises around organizational goals and unit goals, people can become obsessive about rules and regulations, and employees don't always know how to deal with problems because employees are not empowered to make decisions. Various factors will influence workers in their job satisfaction and their willingness to stay with an organization Organizational Culture Organizational culture is an important concept in studying how organizations behave. There are different aspects of culture that need to be defined to help lay a foundation for understanding what culture is. Dominant culture is the core values that are shared by the

majority of 54 employees in the organization. Subcultures are when there are a variety of different cultures within the organization. The first is sensitivity training that sets up groups that seek to change behavior through unstructured group interaction by providing an environment of increased awareness of others and of themselves. This process includes discovery (identifying the strengths of the organization), dreaming (speculating on the future of the organization), designing (finding a common vision), and destiny (deciding how to fulfill the dream). When division of labor is utilized an organization can more effectively use specialized training and specialized equipment to accomplish their desired productivity and quality goals. Further, work specialization can cause greater economies, but in some cases it can cause diminishing returns due to repetition which can lead to boredom. Wider span allows for more efficiency because you need fewer managers. New Design Options: Virtual Organization Virtual organizations are developing as acceptable organizational structures. They organize more in what is called T-form concepts in order to eliminate vertical and horizontal boundaries. Span of control has mixed results depending on individual differences in employees and organizational factors. Finally, if a merger or acquisition occurs, one of the most difficult things to do is to merge the two cultures, causing many mergers to fail. Rituals, or repetitive sequences of activities, can reinforce the key values of the organization and provide insight into the culture. Furthermore, to create a learning organization, managers must overcome some traditional organizational problems such as fragmentation, competition, and reactivity. Redesigning the organization's structure to increase communication and interactions and reshaping the organization's culture to reward risk-taking and good mistakes will help to increase the effectiveness of the learning initiatives. Contrasting Leadership and Power Leadership and power are two different concepts and need to be defined separately. Reward power is the ability to distribute rewards that others see as valuable and they will thereby accomplish the goals or tasks to get the reward. The success of the tactics will, however, greatly depend on the political skill of the user and the context or culture of the organization. The division of labor is helpful in creating the most efficient way to utilize employee skills, increase their skills, and maximize their input. The tasks will be completed through specialization and they tend to be formalized through rules and regulations. Bureaucracies have both strengths and weaknesses. They tend to offer economies of scale that are beneficial to the organization. This structure offers a small core organization that outsources many of its major functions to competent suppliers. They are: innovation and risk taking, attention to detail, outcome orientation, people orientation, team orientation, aggressiveness, and stability. These subcultures typically are divided by department and/or geographical separation. Core values are the primary values that most people in the organization accept. A strong culture is one in which the core values are intensely held and shared by most. These definitions are key components of a culture and will help you further understand organizational culture. If the cultures are strong, they can facilitate a continuous commitment to something larger than self-interest over an extended period of time. When cultures are strong, they can become a barrier to change as their values may not align with the values needed to embrace or facilitate the change. Material symbols such as dress codes, formal or informal, office size or style, and perks for key employees can denote who is important in an organization. Learning organizations share some common characteristics such as sharing the same vision, getting rid of old ways of thinking, viewing the

organization as a system of relationships, open communication, and working together to achieve a shared vision. Often researchers and practitioners do not distinguish between leadership and management. Leadership is focusing on goal achievement along with their followers. Leadership will focus on using their leadership downward to influence others to help them achieve their tasks.

**Factors Influencing Power Tactics** Many factors can influence the effectiveness of the power tactics discussed. Their ability to encourage the desired behavior could depend on the sequencing of the tactics.

**Work Specialization** A key part of organizational structure understands the degree to which tasks are divided into separate jobs or work specialization. Job enlargement can be effective in creating greater efficiencies than specialization does. This concept looks at how many workers a manager can effectively direct toward organizational goals.

**Centralization and Decentralization** Centralization is the degree to which decision making is concentrated at a single point in the organization, typically at the top. Decentralization represents an organization that spreads decision making throughout the organization. This structure has a low degree of departmentalization, wide spans of control, and centralized decision making with little formalization in job design. They try to break down external barriers to customers and suppliers through their structure and style of communication. Structures will also differ by organization size – the larger they get, they tend to become more mechanistic. They will differ by how much technology is used – the more routine the activities, the more mechanistic the structure should be. Structures will also differ based on the environment in which they exist. The more dynamic the environment, the more organic the structure will need to be to facilitate quick decisions and fast turnaround. Research has shown that work specialization can lead to increased productivity but lower job satisfaction. Specialization has not been popular as employees are seeking more intrinsically rewarding jobs.

**Cultures** have 7 primary characteristics that define the organization. Cultures also help people know what to expect in the organization and can thereby enhance the stability of the social system. A positive organizational culture is one that builds on employee strengths so that employees can develop and grow. Finally, it emphasizes individual vitality and growth so that employees are operating at full potential.

**Organizational Development** Organizational development is an area of study that is set up to determine what an organization needs to improve their effectiveness and employee well being. Some organizational development values include respect for people, trust and support, power equalization, confrontation, and participation.

**Six OD Techniques** There are six commonly used organizational development techniques. This increases their empathy, listening skills, openness, and tolerance for others. In this technique there is a consultant involved who gives the clients some insights into what is happening in the organization and helps to identify a process for improvement. Finally, the sixth commonly used technique is appreciative inquiry. This process seeks to identify the unique qualities and special strengths of an organization which they then use to build on to improve performance through a process.

**Creating a Culture for Change: Innovation** Many organizations attempt to create a culture for change through encouraging innovation. For innovation to occur, there needs to be an idea champion who actively promotes the innovation. Leadership is the ability to influence a group toward the achievement of goals. Inherent in this definition is the idea of dependency. The stronger the relationship or the dependency that one person has when the other possesses something they want or requires, the

greater the dependency on that person. Whereas power uses influence to gain something upward or laterally. A person with formal power can utilize different power bases to accomplish their tasks. Personal power can be based on expert power, the individual's special skills or knowledge or referent power, as well as their influence based on the personal traits or resources they can offer to others.

**Departmentalization** Departmentalization defines how jobs are grouped together. When jobs are grouped, departments are formed. When there is high formalization, workers have very little control over how they do their work and they will be required to follow a number of rules and procedures. Lower formalization will tend to allow for different job behaviors to get the job done, giving workers more control over their work. Departments will be highly defined and authority is centralized. The bureaucratic organization will be one that is highly defined and very controlled. This structure will minimize duplication of personnel and equipment through organization of jobs and departments. The matrix structure also breaks down the unity-of-command concept as the lines of authority are blurred.

**New Design Options:**

**Boundaryless Organization** Boundaryless organizations are set up to reduce the structure and tight control over work. They organize in a way to try to empower teams. If your organization is focusing on innovation as a key value, then they may be best served by an organic structure. Whereas, if they are looking at minimizing costs as their strategy, they will find that a mechanistic structure will work better. Participative decision making has been found to be positively related to job satisfaction. Culture has significant impact on how individuals interpret the impact of their behavior and make decisions about their actions. Cultures take on distinct functions. Some of the things that cultures do are defining the boundary between one organization and others. Language is another way to learn about organizational culture as employees will express themselves in certain ways to indicate membership in the organization. It also rewards more than it punishes so employees are not afraid to try new things and feel good about what they are contributing. There are many sources of innovation or the process of coming up with a new idea that helps to improve a current process, product or service. However, there are some key differences and understanding these differences can be helpful for organization improvement. They can emerge from a group and provide vision and motivation to those around them.

**Bases of Power** There are two main bases of power, formal and personal:

**Formal Power:** Formal power is defined more by the position a person will hold in the organization. The last base is legitimate power where the formal authority to control and use resources is then based on the person's position in the formal hierarchy.

**Personal Power:** The second major form of power is personal power which comes through the individual's personality and characteristics. When resources are very important, scarce, or there is no easy substitute, then the use and amount of power will rise in an organization.

**Power Tactics** There are a number of power tactics an individual can use or ways in which they can make the power base work for them by moving people into specific actions. It is often better to start with softer tactics, such as exchange, and work up to harder tactics such as pressure. There are a number of options to choose from when grouping jobs – you could organize around function, product, location, process, or customer. Embedded in the chain of command is the inherent right of a manager to give orders and expect the orders to be followed. Unity of command is the idea that a subordinate should have only one superior to report to so that directions and the chain of command are clear.

**Span of Control** The fourth

element of structure is span of control. Formalization Formalization is the degree to which jobs within the organization are standardized. Common Organization Designs: Simple Structure There are a number of organizational structures available to companies. Common Organizational Designs: Bureaucracy Another type of organizational design is bureaucracy. Decision making will follow a strict chain of command and there will be narrow spans of control. Communication will be strong and decision making is centralized. Common Organizational Designs: Matrix The matrix structure is another common organizational design. Why Structures Differ Structures differ for a number of reasons. Strategy should always dictate structure instead of structure dictating strategy. Organizational Designs and Employee Behavior Organizational designs are not a good predictor of employee behavior. Culture is defined as a common perception held by the members of the organization or a sense of shared meaning. Do Organizations Have Uniform Cultures? There are several different groupings that most cultures fit into. Through doing this, it can also serve as a sense-making and control mechanism for fitting employees into the organization. Culture as a Liability Culture can also be a hindrance to an organization. How Culture Begins Cultures start from the very beginning of the organization with the founders. How Employees Learn Culture Employees learn the organizational culture through a number of avenues. They can gain an understanding of culture by hearing stories that present the past and provide explanations for current practices. Process consultation is the third technique. Creating a Culture for Change: Learning Learning is another key component of creating a culture for change. Power is used as a way to accomplish the goal and often followers are also means to accomplish the goal. The first is coercive power where employees fear negative consequences if they don't do what they are told. Dependency: The Key to Power Central to the concept of power is dependency. The greater a person's dependency on another, the more power they hold over that person. What Is Organizational Structure? Chain of Command The chain of command represents the line of authority present in decision making. In a bureaucratic organization, there will be a great deal of structure. However, this type of structure is not without its weaknesses. This type of organization reduces control over some of the key parts of the business. The first is that structure is set up to facilitate the strategy of the organization. These groups describe the organization in an effort to help increase the understanding of how an organization works. What Do Cultures Do? They also convey a sense of identity for the members of the organization. A company can become institutionalized when people value the organization more than what they provide. Founders will tend to hire and keep employees who view things in a similar fashion. They will also try to get employees to think about things the way they do and socialize them to their point of view and ways of doing things. Learning can be managed by establishing a strategy that everybody understands and can buy into. A leader does not have to be someone who holds a formal position or title. This is often more effective than formal power. 1.49 2.3.4. However, it can also limit the amount of time and direction a manager can give to their employees. 5.6. The first and most basic structure is the simple structure.