



University of Kelaniya – Sri Lanka

Centre for Distance and Continuing Education

Faculty of Commerce and Management Studies

Bachelor of Business Management (General) Second Year Examination (External) – 2016

July/ August – 2022

BMGT E2065 – Organization Theory and Design

No. of Questions: Eight (08)

Time: 03 hours

Question No. 01 is compulsory and answer another four (04) questions.

Question No. 01

Casual Garment (Pvt.) Ltd is large garment manufacturing organization in Sri Lanka which was started in 1990 by Samuel and Kanthi Perera. The main branch located in Western province and other two branches are located in Southern and Central Provinces. For most of its history, the company was a single-office agency run by its founders. Over time, the company grew in size and sales revenue, which increased from 41 million in 1995 to over 100 million in 2000. Also, competitive forces throughout the country were forcing companies to rethink their strategies and their organization designs. As more and more competitors challenged Casual Garment 's market supremacy and as technological developments in manufacturing and information processing challenged, Casual Garment's founders responded by implementing changes in its organization design. Therefore, rather than a single office, the company decided to open two branches in the Southern and Central province in 2000.

The firm grew for many reasons. An important reason was the founders' ability to do certain things very well. They knew how to select location, time moves, and design offices. They recruited and hired people with above-average ability and trained them to be effective

salespeople. The rewards of growth were enjoyed by the Perera family and employees of their firm.

But with growth, problems stemming from the mismatch between the firm's organization structure and management practices. Casual Garment handled its business matters in simple and informal ways because it was a family corporation, and family members ran it as a family, not as a business. Some of the problems that surfaced with growth included the absence of clearly defined roles, areas of responsibility and accountability. People were in jobs because of family relationship rather than skills. Important decisions were made by Perera family, who often did not have knowledge of all available information. The firm, moreover, had no strategic plan. Branch managers have no authority to take decision and they have to follow the decisions taken by Perera family. Further, the company didn't have proper hierarchical system and employee didn't know who report to whom and from whom they need to get orders.

Casual Garment consequently need to make many changes in its operations and organization structure. The entire change at Casual Garment will both extensive and time consuming. Nearly every aspect of the firm's operations will be affected, and the changes took two years or more to fully implement.

a) Identify the issues of Casual Garment (Pvt.) Ltd with the perspectives of Organization Theory and Design.

(14 marks)

b) Suggest the most suitable organizational structure to the Casual Garment (Pvt.) Ltd with an appropriate rationalization of selecting the particular structure.

(14 marks)

(Total 28 marks)

Question No. 02

a) Define what the organization is and briefly explain the structural and contextual dimensions of the organization.

(08 marks)

b) What are the challenges faced by organizations and how organization design should change in order to face such challenges?

(10 marks)

(Total 18 marks)

Question No. 03

- a) Discuss the role of top management in setting organizational direction.
(08 marks)
- b) Define the 'organizational effectiveness' and describe one basic approach to measure effectiveness.
(10 marks)
- (Total 18 marks)**

Question No. 04

- a) What is organization structure? Does organization structure appear on the organization chart? Explain.
(08 marks)
- b) Select two organization structures and describe the differentiations between those two selected organization structures.
(10 marks)
- (Total 18 marks)**

Question No. 05

- a) Describe the Framework for Environment uncertainty developed by James D. Thompson.
(08 marks)
- b) Explain the organizational strategies which can be used to control the environment uncertainty.
(10 marks)
- (Total 18 marks)**

Question No. 06

- a) Explain about the inter-organizational relationship and its advantages and disadvantages.
(08 marks)

- b) Describe the four (04) perspectives mentioned under inter-organizational framework.
(10 marks)
(Total 18 marks)

Question No. 07

- a) Describe the motivation for global expansion of the organization.
(08 marks)
- b) Explain the challenges in global organization and how to face those challenges?
(10 marks)
(Total 18 marks)

Question No. 08

- a) Describe core manufacturing and service technologies and differentiate the structural characteristics of manufacturing and service organizations.
(08 marks)
- b) “Organizations evolve through distinct life-cycle stages as they grow and mature”.
Explain the stages of Organization Life Cycle Development.
(10 marks)
(Total 18 marks)