School of Business and Economics

Course Modules

ORGB 3811

Organizational Theory and Design

Copyright & Credits

Course Development Team:

Curriculum Developer: Salvador Barragan, PhD

Curriculum Consultant: Amy Tucker, MBA

Instructional Designer: Fränzi Ng, EdD

Graphic Designer: Robline Forsythe, BA

Course Editor: Cory Stumpf, BJ

Dean, School of Business and Economics: Michael Henry, DBA

Thompson Rivers University

805 TRU Way

Kamloops, BC

V2C 0C8

Table of Contents

Module 1: Organizations and Organization Theory

Overview

Welcome to ORGB 3811: Organizational Theory and Design. Throughout this course, you will study the ways in which organizations are configured. An organization is a "social entity" with a specific purpose and goals that can be achieved through "structured and coordinated activity systems, and . . . linked to the external environment" (Daft & Armstrong, 2015, p. 14).

In your lifetime, you have probably belonged to a few organizations—maybe a youth group, a religious congregation, a professional institution, or a hobby club. If you look carefully, some of these organizations have common patterns in the ways they are designed and structured. In this course, we seek to answer the question of how organizations adopt new structural forms and designs to respond to the changing environments in which they operate.

In Module 1, we introduce you to an overview of the entire course, in which you will be exposed to the evolution of organizational designs ranging from efficiency-oriented to learning and adaptive-oriented models. You will understand this evolution is motivated by the fact that organizations are open systems linked to the external environment (e.g. costumers, society, government and regulations, industry, competitors, etc.). For this reason, organizations follow specific patterns in their organizational design dimensions to respond more effectively to their specific environments.

Learning Outcomes

After completing this module, you will be able to reach the following course learning outcome:

- Explain the building blocks of organization theory and design, and their relevance to organizational challenges in the environment.

Module Learning Outcomes:

- Define organizations and their challenges in a changing environment.
- Explain the differences between organic and mechanistic designs in terms of different organizational dimensions.

Topics

1. Organizations
2. Dimensions of Organizational Design

Assessment and Activity Checklist

Here is a blended checklist of suggested and mandatory learning activities from which you will benefit in completing this module. You may find this list useful for planning your work.

✓	Activities
Topic 1: Organizations	
	Activity 1: Getting Started
	Activity 2: Introductory Readings and First Reflection
	Activity 3: "The New Soul of a Wealth Machine"
Topic 2: Dimensions of Organizational Design	
	Activity 4: Readings
	Activity 5: "EllisDon, MOCCA, Tim Hortons"
Assignment 1: Measuring Dimensions of Organizations (5%)	

Resources

You will require the following resources to complete this module.

Your Textbook:

Daft, R. L., & Armstrong, A. (2015). Organization theory & design (3rd Canadian ed.). Toronto, ON: Nelson.

Slideshow Lectures (Available in your online course materials):

Getting Started

Module 1 – Part 1

Module 1 – Part 2

Other Resources (Available in your online course materials):

Schlender, B. (2004, April 5). The new soul of a wealth machine. Fortune, 149(7), 102-110. Retrieved from http://archive.fortune.com/magazines/fortune/fortune_archive/2004/04/05/366370/index.htm

Topic 1: Organizations

Introduction

In Topic 1, we will cover a definition of what an organization is. You will learn about different historical perspectives of effective organizational designs, from efficiency-oriented to learning and adaptive-oriented, as aligned with changes in the environment.

Activity 1: Getting Started

- What brought you into this *Organizational Theory and Design* course?

- What questions would you like to have answered by the end of this course?

Again, welcome to your course. You are encouraged to write a short email to your Open Learning Faculty Member, in which you briefly introduce yourself. Share with her or him a little bit about your background and maybe why you are taking this online course. Most importantly, write to him or her what grade you would like to earn in this course.

Next, review the slideshow video, "Getting Started," in which I, the course writer, welcome you and provide you with an overview of this course.

Getting Started (Available in your online course materials)

Activity 2: Introductory Readings and First Reflection

Read the following sub-topics from Chapter 1 of your textbook:

a. The Evolution of Organization Theory and Design

b. What is an Organization?

c. Perspectives on Organizations

Next, review Part 1 of the slideshow lecture for this lesson.

Module 1 – Part 1 Lecture (Available in your online course materials)

Module 1 - Part 1 Slides (Available in your online course materials)

In this course, you are encouraged to keep a learning journal in which you capture your key insights. This journal can be a traditional pen and paper document or an electronic file. You will find these notes invaluable when it comes time to write an assignment or prepare for your Final Exam.

The following prompt is your first opportunity to write in your learning journal: After reading in your textbook and viewing the slideshow lecture, what key learning pieces do you take away?

Activity 3: "The New Soul of Wealth Machine"

Read the following article (Available in your online course materials):

Schlender, B. (2004, April 5). The new soul of a wealth machine. *Fortune, 149*(7), 102-110. Retrieved from http://archive.fortune.com/magazines/fortune/fortune_archive/2004/04/05/366370/index.htm

In your learning journal, I invite you to identify the arguments about the importance of organizations for society.

Topic 2: Dimensions of Organizational Design

Introduction

In Topic 2 of this first module, you will begin to understand different organizational dimensions that define the design and structure of an organization. These designs resemble, to a greater or lesser degree, mechanistic or organic organizational configurations that respond to different needs in the environment.

Activity 4: Readings

Read the following sub-topic from Chapter 1 of your textbook:

　　A.　Dimensions of Organizational Design

Next, review Part 2 of the slideshow lecture for this lesson.

Module 1 – Part 1 Lecture (Available in your online course materials)

Module 1 - Part 2 Slides (Available in your online course materials)

Activity 5: "EllisDon, MOCCA, Tim Hortons"

In Chapter 1 of your textbook, you will find a textbox called "In Practice—EllisDon, MOCCA, Tim Hortons." Read the cases of EllisDon and Tim Hortons, and identify the organizational dimensions for each of them (e.g. high or low formalization, high or low centralization, etc.). Answer the following questions in your learning journal:

1. In which of the organizational dimensions do these companies differ?

2. After analyzing the organizational dimensions of these two companies, would you say that one of them is designed for efficiency and the other for flexibility and innovation? Explain.

3. "What are the primary differences between an organization designed for efficiency and one designed for flexibility? Discuss the pros and cons of each approach for today's organization" (Daft & Armstrong, 2015, p. 38).

References

Daft, R. L., & Armstrong, A. (2015). Organization theory & design (3rd Canadian ed.). Toronto, ON: Nelson.

Module 2: Strategy Organizational Design and Effectiveness

Overview

In your experience with organizations (e.g. as a worker, as a member, or as a customer), you have noticed that they have a reason to exist (a mission) and specific goals to achieve (e.g. sales targets, increasing the membership, or innovating new products). If you look carefully, in order to achieve their mission and their goals, they need to have a specific structure (e.g. infrastructure, type of workers, systems and procedures).

For instance, think of your smartphone. The company who makes it might be oriented to innovate smartphones as a strategy, and for that reason it needs an organizational structure that facilitates the sharing of ideas to innovate. Now, think about your favorite fast-food restaurant. As a consumer, you expect a decent price, consistency of quality across different locations, and a fast response to having your meal ready. This organization requires a structure that promotes efficiency, follows standard procedures, and has clear tasks for employees to perform. When you buy a burger, you usually expect the same as you had before, rather than innovation. Hence, an innovative cell phone company will require a vastly different structure from a fast-food restaurant.

In this module, you will be exposed to the link between the strategic direction and goals of an organization and its organizational design. We will discuss the necessary alignment between strategy, organizational design, and outcomes.

Learning Outcomes

After completing this module, you will be able to reach the following course learning outcome:

- Contrast different strategic processes to attain organizational goals and anticipate their impact on organizational design.

Module Learning Outcomes:

- Understand different strategy typologies and their impact on organizational design.
- Analyze the link between strategic goals and organizational performance.

Topics

1. The Role of Strategic Direction in Organizational Design
2. Strategic Goals and Organizational Performance

Assessment and Activity Checklist

Here is a blended checklist of suggested and mandatory learning activities from which you will benefit in completing this module. You may find this list useful for planning your work.

✓	Activities
Topic 1: The Role of Strategic Direction in Organizational Design	
	Activity 1: Introductory Readings Activity 2: "WestJet Airlines Limited" Activity 3: "What is Strategy?"
Topic 2: Strategic Goals and Organizational Performance	
	Activity 4: Readings Activity 5: "Communicating Strategy with the Balanced Scorecard"
Assignment 2: Balanced Scorecard—Loblaw (5%)	

Resources

You will require the following resources to complete this module.

Your Textbook:

Daft, R. L., & Armstrong, A. (2015). Organization theory & design (3rd Canadian ed.). Toronto, ON: Nelson.

Slideshow Lectures (Available in your online course materials):

Module 2 – Part 1

Module 2 – Part 2

Other Resources (Available in your online course materials):

Harvard Business Review. (2013, April 22). Communicating strategy with the balanced scorecard [Video file]. Retrieved from https://www.youtube.com/watch?v=QM9SLX4icu0

Kaplan, R. S., & Norton, D. P. (1992, January/February). The balanced scorecard – Measures that drive performance. Harvard Business Review, 70(1), 71-79.

Porter, M. E. (1996, November/December). What is strategy? Harvard Business Review, 74(6), 61-78.

Topic 1: The Role of Strategic Direction in Organizational Design

Introduction

In Topic 2, you will identify the role of the CEO or top managerial team in defining the purpose and mission of an organization, as well as its strategic and operational goals. A framework with a typology of strategies will be presented, along with the corresponding types of organizational designs.

Activity 1: Introductory Readings

Read the following sub-topics from Chapter 2 of your textbook:

  a.   The Role of Strategic Direction in Organizational Design

  b.   Organizational Purpose

  c.   A Framework for Selecting Strategy and Design

Next, review Part 1 of the slideshow lecture for this lesson.

Module 1 – Part 1 Lecture (Available in your online course materials)

Module 2 - Part 1 Slides (Available in your online course materials)

Remember, in this course you are encouraged to keep a learning journal in which you capture your key insights. This journal can be a traditional pen and paper document or an electronic file. You will find these notes invaluable when it comes time to write an assignment or prepare for your Final Exam.

In regards to your first activity in this module, what key learning pieces did you take away?

Activity 2: "WestJet Airlines Limited"

First, review the "strategy typologies" proposed by both Porter, and Miles and Snow, in Chapter 2 of your textbook.

Second, in the same chapter in your textbook, you will find a textbox called "In Practice—WestJet Airlines Limited (WestJet)." Review the case. Based on your own experience of flying WestJet (if you have done so), answer the questions below. Don't forget to capture your answers in your learning journal.

  1. According to Porter's competitive strategies, which strategy is WestJet adopting? Justify your answer.

  2. According to Miles' and Snow's strategy typologies, which strategy is WestJet using? Justify your answer.

Activity 3: "What is Strategy?"

Managers constantly use the word "strategy" for any activity considered important. The following article provides us with both the misconceptions of what a business strategy is, and the conceptualization of a well-defined organizational strategy and its elements:

Porter, M. E. (1996, November/December). What is strategy? *Harvard Business Review*, *74*(6), 61-78. (Available in your online course materials)

Read the article. As you do so, fill in the table below:

Popular Misconceptions of Business Strategies	What a Well-Defined Business Strategy Entails

Topic 2: Strategic Goals and Organizational Performance

Introductions

In the second part of Module 2, you will focus on understanding the link between strategic and operational goals and organizational performance. In particular, you will see the benefits of designing a balanced scorecard to set goals, measure them, and communicate them to the whole organization.

Activity 4: Readings

Read the following sub-topics from Chapter 2 of your textbook:

    A. Assessing Organizational Effectiveness

    B. Contingency Effectiveness Approaches

Next, review Part 2 of the slideshow lecture for this lesson. Keep recording your takeaway learning pieces in your journal.

Module 2 – Part 1 Lecture (Available in your online course materials)

Module 2 – Part 2 Slides (Available in your online course materials)

Activity 5: "Communicating Strategy with the Balanced Scorecard"

If you are curious about how top managers can communicate the overall organizational strategy to any employee at lower levels, then watch the following video (3:23 min.) with one of the creators of scorecard balance, Bob Kaplan:

Harvard Business Review. (2013, April 22). Communicating strategy with the balanced scorecard [Video file].

Source: https://www.youtube.com/watch?v=QM9SLX4icu0

While watching this video:

- Focus on the advice about using the balanced scorecard to communicate the organizational strategy to all employees.

- Reflect on the following question: How can you know if a lower-level employee understands the strategy, the strategic goals, and the way her/his activities contribute to those strategic goals?

Record your takeaway learning pieces in your learning journal.

References

Daft, R. L., & Armstrong, A. (2015). Organization theory & design (3rd Canadian ed.). Toronto, ON: Nelson.

Kaplan, R. S., & Norton, D. P. (1992, January/February). The balanced scorecard – Measures that drive performance. Harvard Business Review, 70(1), 71-79.

Module 3: Fundamentals of Organizational Structure

Overview

In the previous module, you reviewed and analyzed the strategic direction and goals of organizations, and their impact on organizational design. In this new module, you will look at how organizations can be structured to group people, activities, and responsibilities.

Every type of organizational structuring shapes the direction and frequency of the flow of communication and interaction, both within and between the formed groups. Different organizational structures have different advantages and disadvantages. You will be looking at the most prominent structures in more detail. Therefore, you will find Module 3 to be longer than your earlier modules.

The first section covers traditional organizational structures that you have probably experienced already, especially when working in medium to large organizations. The second part of this module will focus on more contemporary organizational forms that you may find in small or highly-innovative, flexible organizations.

Learning Outcomes

After completing this module, you will be able to reach the following course learning outcome:

- Compare the strengths and weaknesses of various organizational structural forms.

Module Learning Outcomes:

- Identify departmental groupings such as functional, divisional, geographic, and matrix.

- Explain the new horizontal and virtual network structural forms and their advantages over the more traditionally- and vertically-structured designs.

Topics

1. Traditional Departmental Grouping Alternatives
2. New Horizontal and Virtual Network Structures

Assessment and Activity Checklist

Here is a blended checklist of suggested and mandatory learning activities from which you will benefit in completing this module. You may find this list useful for planning your work.

✓	Activities
Topic 1: Traditional Departmental Grouping Alternatives	
	Activity 1: Introductory Readings Activity 2: "Microsoft Corporation" Activity 3: "McDonald's CEO Restructures Restaurant into Four Units"
Topic 2: New Horizontal and Virtual Network Structures	
	Activity 4: Readings Activity 5: "Chemainus Sawmill" Activity 6: "Steve Jobs Talks about Managing People"
Start Assignment 3: You and Organizational Structure (10%)	

Resources

You will require the following resources to complete this module.

Your Textbook:

Daft, R. L., & Armstrong, A. (2015). Organization theory & design (3rd Canadian ed.). Toronto, ON: Nelson.

Slideshow Lectures (Available in your online course materials):

Module 3 – Part 1

Module 3 – Part 2

Other Resources (Available in your online course materials):

Bloomberg. (2015, May 4). McDonald's CEO restructures restaurant into four units [Video file]. Retrieved from https://www.youtube.com/watch?v=hAehv3bgUTw

ragni. (2010, June 12). Steve Jobs talks about managing people [Video file]. Retrieved from https://www.youtube.com/watch?v=f60dheI4ARg

Topic 1: Traditional Departmental Grouping Alternatives

Introduction

This topic reviews the most traditional organizational structures, such as functional, divisional, geographic, and matrix. These structural forms will vary in terms of their degree of mechanistic configurations.

Activity 1: Introductory Readings

Read the following sub-topics from Chapter 3 of your textbook:

     a. Organizational Structure

     b. Information-processing Perspective on Structure

     c. Organizational Design Alternatives

     d. Functional, Divisional, and Geographical Designs

     e. Matrix Structure

Next, review Part 1 of the slideshow lecture for this lesson.

Module 3 – Part 1 Lecture (Available in your online course materials)

Module 3 – Part 1 Slides (Available in your online course materials)

Remember that in this course you are encouraged to have a learning journal in which you capture your key takeaways. This journal can be a traditional pen and paper document or an electronic file. You will find these notes invaluable when it comes time to write an assignment or prepare for your Final Exam.

After reading in your textbook and viewing the slideshow, what key learning pieces do you take away?

Activity 2: "Microsoft Corporation"

One way to practice what we have discussed about different types of traditional structures is to observe what "real" companies are doing. Have you heard of Microsoft? I bet you have. Read in Chapter 3 of your textbook: "In Practice—Microsoft Corporation (Microsoft)." Reflect on the three types of structures that Microsoft has had throughout its history by answering the following questions:

1. What type of structure did Microsoft have during its foundation? What were the disadvantages of that structure?

2. When Microsoft did change its original structure, what type of structure did it adopt? What are the reasons for this change?

3. Finally, when Microsoft engages in a third change in structure, which activities are centralized and which ones decentralized? It is important for you to note that in its third change of structures, Microsoft takes on a hybrid structural form. This is reflective of the level of complexity often found in large organizations.

In your learning journal, record your key takeaways from this case.

Activity 3: "McDonald's CEO Restructures Restaurant into Four Units"

One of the organizations that you have probably visited, McDonalds, has been restructured. To learn more, watch the following video (3:28 min.) with Steve Easterbrook, the CEO of McDonalds:

Bloomberg. (2015, May 4). McDonald's CEO restructures restaurant into four units [Video file].

Source: https://www.youtube.com/watch?v=hAehv3bgUTw

While watching this video:

1. Pay attention to the changes in organizational restructuring that the CEO is introducing.
2. Can you identify what type(s) of structure he is proposing?

Record your takeaway learning pieces in your learning journal.

Topic 2: New Horizontal and Virtual Network Structures

Introductions

This topic exposes you to more contemporary structural forms such as hybrid, virtual and team structures. You will notice that these configurations adopt more organic dimensions.

Activity 4: Readings

Read the following sub-topics from Chapter 3 of your textbook:

A. Horizontal Structure
B. Virtual Network Structure
C. Hybrid Structures
D. Applications of Structural Design

Next, review Part 2 of the slideshow lecture for this lesson. Keep recording the takeaway learning pieces in your journal.

Module 3 – Part 2 Lecture (Available in your online course materials)

Module 3 – Part 2 Slides (Available in your online course materials)

Activity 5: "Chemainus Sawmill"

We are reviewing more contemporary organizational structures that enable organizations to be more flexible, adaptable, and innovative. Now, let's study an organization with one of those structures. Read in Chapter 3 of your textbook: "In Practice—Chemainus Sawmill (Chamainus)." Answer the following questions in your learning journal:

1. What is the strategic purpose of Chemainus?
2. What type of structure is in place for Chemainus? Is this structure a mechanistic or an organic one? Explain by paying attention to the direction and flow of communication. Is it vertical or horizontal?
3. How is Chemainus promoting multi-tasking of certain employees? Note how employees are not narrowly specialized in one skill. On the contrary, employees have broader skills that allow the organization to be more flexible.

Activity 6: "Steve Jobs Talks about Managing People"

Some of the products that you and your friends or family know really well are those designed by Apple (e.g. iMac, iBook, iPod, iPad, iPhone, iTunes, Apple TV). In the following video, the founder and CEO at that time, Steve Jobs, talks about the organizational design and structure that has enabled Apple to innovate a variety of products in different industries.

Watch the video (2:25 min.) with Steve Jobs:

ragni. (2010, June 12). Steve Jobs talks about managing people [Video file].

Source: https://www.youtube.com/watch?v=f60dheI4ARg

Answer the following questions in your learning journal:

1. What type of structure is Steve Jobs describing?
2. How does this type of structure enable Apple to innovate?
3. What is the role of the CEO (i.e. Jobs) in this structure? Note that this type of organization has fewer rules, which allows more employees' discretion in deciding how to work. Also pay attention to the flow of communication. Is it vertical and/or horizontal?

References

Daft, R. L., & Armstrong, A. (2015). Organization theory & design (3rd Canadian ed.). Toronto, ON: Nelson.

Module 4: The External Environment

Overview

In Module 2, we discussed how organizations tailor their designs to align with their strategic directions and goals. In Module 4, you will discover that both organizational strategies and designs are usually shaped to respond to the environment. The environment in this context includes customer demands, competitors, governmental regulation, societal expectations, etc. This environment is unique and distinct for each organization. Some environments have more complexity and some have more exposure to rapid change. By looking at simple-complex and stable-unstable environments, you will study how organizational designs respond to both of these dynamics.

Learning Outcomes

After completing this module, you will be able to reach the following course learning outcome:

- Examine how different organizational designs and structures respond to different characteristics of the external environment.

Module Learning Outcomes:

- Explain the simple-complex and stable-unstable dimensions of the external structure.

- Describe how the environment impacts organic versus mechanistic management processes.

Topics

1. The Environmental Domain
2. Adapting to Environmental Uncertainty

Assessment and Activity Checklist

Here is a blended checklist of suggested and mandatory learning activities from which you will benefit in completing this module. You may find this list useful for planning your work.

✓	Activities
Topic 1: The Environmental Domain	
	Activity 1: Introductory Readings and Reflections
	Activity 2: "Davos Buzz: CEO Ghosn on BRICS, EVs and Women in the Corporate World"
	Activity 3: "The Future of the Digital Economy"
Topic 2: Adapting to Environmental Uncertainty	
	Activity 4: Readings and Reflections
	Activity 5: "Walmart"
Submit Assignment 3 (10%)	

Resources

You will require the following resources to complete this module.

Your Textbook:

Daft, R. L., & Armstrong, A. (2015). Organization theory & design (3rd Canadian ed.). Toronto, ON: Nelson.

Slideshow Lectures (Available in your online course materials):

Module 4 – Part 1

Module 4 – Part 2

Other Resources (Available in your online course materials):

AllianceRN. (2015, January 22). Davos Buzz: CEO Ghosn on BRICS, EVs and women in the corporate world [Video file]. Retrieved from https://www.youtube.com/watch?v=C0Di1aM997k

Bloomberg. (2015, January 22). Sandberg, Schmidt, Nadella, Colao on Davos digital panel [Video file]. Retrieved from http://www.bloomberg.com/news/videos/2015-01-22/sandberg-schmidt-nadella-colao-on-davos-digital-panel

Topic 1: The Environmental Domain

Introduction

In this first topic, you will review the notion of "environmental domain" (Daft & Armstrong, 2015, p. 141) as all the forces outside an organization that may interact and shape its functioning and design. In particular, you will see that some environments may be simple-complex and stable-unstable for the organization.

Activity 1: Introductory Readings and Reflections

Read the following sub-topics from Chapter 4 of your textbook:

     a. The Environmental Domain

     b. Environmental Uncertainty

Next, review Part 1 of the slideshow lecture for this lesson.

Module 4 – Part 1 Lecture (Available in your online course materials)

Module 4 – Part 1 Slides (Available in your online course materials)

Capture your key learning points in your learning journal.

Activity 2: "Davos Buzz: CEO Ghosn on BRICS, EVs and Women in the Corporate World"

You may be the proud owner of a car, or maybe you plan on purchasing one in the future. As a (potential) consumer in the car industry, you have specific expectations of companies. For example, you may want 0% financing on a specific car brand, or you expect that the car company of your choice is socially and environmentally responsible. These consumer expectations are part of the environment that shapes organizations' strategies and designs.

Watch the following video (4:51 min.) with Carlos Ghosn, CEO of Renault-Nissan:

AllianceRN. (2015, January 22). Davos Buzz: CEO Ghosn on BRICS, EVs and women in the corporate world [Video file].

Source: https://www.youtube.com/watch?v=C0Di1aM997k

In this video, Carlos Ghosn shares his assessment of the environment (i.e. market, society and competitors) for carmakers. In particular, he talks about the market opportunities in the BRICS countries (Brazil, Russia, India, China, and South Africa). After watching this video, answer the following questions in your learning journal:

1. What are the opportunities for Renault-Nissan in the context of the BRICS countries?

2. According to Ghosn, will the oil prices have an impact on the strategy of developing electric cars? Why or why not?

3. What changes in the car industry are pushing to have more women in top positions?

4. Since the recording of this video in 2015, in what ways has the automobile market changed, and in what ways is it still the same?

Activity 3: "The Future of the Digital Economy"

It may sound like a cliché that the internet and technology are changing every aspect of our lives, including how we conduct business. In your case, technology is allowing you to take this course from almost any place in the world, provided you get a decent high-speed internet connection. Not very long ago, this would have been hard to imagine.

One thing is for sure: more change is coming. In the next video, you can follow an interesting group of panelists who share their vision of how things may change in the economy of the future, thanks to the internet and technology.

Watch the video (just the first 12 minutes):

Bloomberg. (2015, January 22). Sandberg, Schmidt, Nadella, Colao on Davos digital panel [Video file]. Retrieved from http://www.bloomberg.com/news/videos/ 2015-01-22/sandberg-schmidt-nadella-colao-on-davos-digital-panel

Reflect on the following questions and record your answers in your learning journal:

1. According to the panelists, in what sense are they optimistic about the digital economy?

2. Can you think of opportunities and challenges in the environment for organizations in the digital economy?

Topic 2: Adapting to Environmental Uncertainty

Instructions

In Topic 2, you will discover how organizations respond to the complexity and degree of stability of the environment in which they operate, by configuring their organizational designs.

Activity 4: Readings and Reflections

Read the following sub-topics from Chapter 4 of your textbook:

    A. Adapting to Environmental Uncertainty

    B. Framework for Organizational Responses to Uncertainty

    C. Resource Dependence

    D. Controlling Environmental Resources

Next, review Part 2 of the slideshow lecture for this lesson. Keep recording your takeaway learning pieces in your journal.

Module 4 – Part 1 Lecture (Available in your online course materials)

Module 4 – Part 1 Slides (Available in your online course materials)

Activity 5: "Walmart"

You are learning that organizations engage in specific action to control resources in the environment (Daft & Armstrong, 2015). You have probably visited a Walmart store before. Maybe you chose this store due to its famously low prices. One reason Walmart can afford to sell its stuff for less is because it accesses and controls specific resources in the environment. For instance, in this next case, you will see that Walmart is trying to influence the decision-making process of government officials in such a way that it protects Walmart's interests.

In Chapter 4 of your textbook, read the case: "In Practice—Walmart" and answer the following questions:

    1. What previous experiences motivated Walmart to adopt a more political strategy to have access to political decision making?

    2. Why did Walmart decide to hire a lobbyist and to work with external lobbyist organizations?

    3. How did Walmart handle the unionization of the store in Québec? What kind of resources was Walmart trying to control?

Remember to record your notes in your learning journal.

References

Daft, R. L., & Armstrong, A. (2015). Organization theory & design (3rd Canadian ed.). Toronto, ON: Nelson.

Module 5: Inter-organizational Relationships

Overview

In the previous module, you discovered that organizations are entangled with their environment in distinct and unique ways through factors like customer demands, competitors, governmental regulation, and societal expectations. In Module 5, we will deepen our understanding of these complexities by introducing the notion of the ecosystem. Daft and Armstrong state that organizations are located in specific "organizational ecosystems" (2015, p. 181), where they not only compete with each other (for resources, customers, etc.) but also cooperate. For example, in some provinces in Canada, universities compete with one another for students. Yet, universities may also cooperate with one another to establish graduate degrees (i.e. doctorates) by sharing faculty members as potential supervisors for theses, and in that way access more specialized resources (i.e. broader expertise).

In this module, we will discuss a framework that explains two important aspects of those ecosystems:

- Competition versus cooperation
- Similarity versus difference in structures

For example, large organizations may choose to control external resources (i.e. access to low-cost raw materials) by acquiring an important supplier, making it harder for the competition to access these materials. Contrary to this behaviour, smaller organizations may choose to cooperate with one another to increase their purchasing power for accessing low-cost raw materials.

In addition, some start-ups may choose to have very different configurations than well-established organizations in order to satisfy unattended needs in the ecosystem. Other small organizations may choose to imitate the configurations of those well-established organizations to gain legitimacy in the ecosystem.

Learning Outcomes

After completing this module, you will be able to reach the following course learning outcome:

- Discuss many forms of linkages between organizations and the reasons for them.

Module Learning Outcomes:

- Explain the notion of ecosystems, where specific organizations interact with one another and with the environment

- Describe the role of collaborative networks.

Topics

1. Organizational Ecosystems

2. Inter-organizational Framework

Assessment and Activity Checklist

Here is a blended checklist of suggested and mandatory learning activities you will benefit from in completing this module. You may find this list useful for planning your work.

✓	Activities
Topic 1: Organizational Ecosystems	
	Activity 1: Introductory Readings Activity 2: "Google" Activity 3: "How Google Makes Money?"
Topic 2: Inter-organizational Framework	
	Activity 4: Readings and Reflections Activity 5: "Bombardier" Activity 6: "How Cooperative Businesses Can Answer Tough Business Challenges"
Assignment 4: The Paradoxical Twins: Acme and Omega Electronics (15%)	

Resources

You will require the following resources to complete this module.

Your Textbook:

Daft, R. L., & Armstrong, A. (2015). Organization theory & design (3rd Canadian ed.). Toronto, ON: Nelson.

Slideshow Lectures (Available in your online course materials):

Module 5 – Part 1

Module 5 – Part 2

Other Resources (Available in your online course materials):

Miglani, J. (2015, June 16). How Google makes money? R&P Research. Retrieved from http://revenuesandprofits.com/how-google-makes-money/

TEDx Talks. (2013, December 16). How cooperative businesses can answer tough business challenges: Julia Hutchins at TEDxMileHigh [Video file]. Retrieved from https://www.youtube.com/watch?v=PzSw6OsEP9Q

Topic 1: Organizational Ecosystems

Introduction

In this first topic, you will discover that organizations are located in a particular ecosystem as a community of organizations that engage in different types of interactions with one another.

Activity 1: Introductory Readings

Read the following sub-topic from Chapter 5 of your textbook:

      a.   Organizational Ecosystems

Next, review Part 1 of the slideshow lecture for this lesson.

Module 5 – Part 1 Lecture (Available in your online course materials)

Module 5 – Part 1 Slides (Available in your online course materials)

Remember to capture your learning in your journal.

Activity 2: "Google"

In this module, we are discussing how organizations establish different types of interactions with one another. In some markets, companies compete, while in others they cooperate.

Read "In Practice—Google" in Chapter 5 of your textbook. In this case study, we gain insights into how this dilemma of competition-cooperation may look. As you are reading, answer the following questions in your learning journal:

1. What products is Google sharing with its competitors, and how?

2. Managers at Google consider that sharing products may "spur" innovation. How could that happen, and how can Google benefit?

Activity 3: "How Google Makes Money?"

At this point, you may still be wondering how Google makes its money. This 2015 article will shed some light on this question (Available in your online course materials):

Miglani, J. (2015, June 16). How Google makes money? *R&P Research*. Retrieved from http://revenuesandprofits.com/how-google-makes-money/

When answering the following questions, keep in mind the dilemma of competing while cooperating with competitors:

1. What products and services do you identify in the article for which Google is not charging a fee to consumers? How does Google make money on those products/services?

2. Can you identify how Google is cooperating?

Record your thoughts in your learning journal.

Topic 2: Inter-organizational Framework

Introduction

In the second topic, you will review a theoretical framework with four different theories explaining why organizations may engage in cooperation and/or competition (i.e. "resource dependence" and "collaborative network"), and why organizations may have different or similar organizational designs (i.e. "population ecology" and "institutionalism") (Daft & Armstrong, 2015, p. 185).

Activity 4: Readings and Reflections

Read the following sub-topics from Chapter 5 of your textbook:

A. Resource Dependence

B. Collaborative Networks

C. Population Ecology

D. Institutionalism

Next, review Part 2 of the slideshow lecture for this lesson. As always, record your takeaway learning in your journal.

Module 5 – Part 2 Lecture5 (Available in your online course materials)

Module 5 - Part 2 Slides (Available in your online course materials)

Activity 5: "Bombardier"

Nowadays, it is not rare to see manufacturing organizations (e.g. in the automotive industry) move from having contract relationships with suppliers to "breaking down boundaries and becoming involved in partnerships with an attitude of fair dealing and adding value to both sides" (Daft & Armstrong, 2015, p. 191). This is the case with Bombardier and its suppliers, which looks like a giant, unique organization that designs and manufactures jets. With this idea in mind, read in Chapter 5 of your textbook: "In Practice—Bombardier" and answer the following questions:

1. In what sense is Bombardier and its partners reducing organizational boundaries to cooperate?

2. What type of activities is Bombardier sharing with its partners, and how do they benefit from this?

3. What are the potential challenges in these collaborative networks?

Activity 6: "How Cooperative Businesses Can Answer Tough Business Challenges"

As mentioned in this module, there are opportunities for small organizations to form and be part of a cooperative (co-op). Co-ops are strategic associations of small organizations that cooperate with one another to share costs and increase their access to resources to compete with larger firms (Daft & Armstrong, 2015). In the following TED Talk (10:48 min.), you will see a US-based example of how joining a co-op can provide access to health care for otherwise uninsured individuals:

TEDx Talks. (2013, December 16). How cooperative businesses can answer tough business challenges: Julia Hutchins at TEDxMileHigh [Video file].

Source: https://www.youtube.com/watch?v=PzSw6OsEP9Q

Answer the following questions in your learning journal:

1. What are the three elements that make a co-op work?

2. Describe how a good co-op model works.

3. Why other types of small organizations can benefit from belonging to a co-op? List some benefits.

References

Daft, R. L., & Armstrong, A. (2015). Organization theory & design (3rd Canadian ed.). Toronto, ON: Nelson.

Module 6: Manufacturing and Service Technologies

Overview

Over your lifetime, you have bought many different types of products and experienced a great variety of services. In this module, you will be exposed to the differences between two core technologies, manufacturing products and offering services. While the former technology concentrates on a tangible product (e.g. a car, a laptop, a house, a can of food, etc.), the latter focuses on an intangible experience (e.g. staying in a hotel, health care services, insurance, etc.). You will identify the organizational designs for these two core technologies. In addition, we will also discuss the design of noncore departments, which provide support to the core processes.

Learning Outcomes

After completing this module, you will be able to reach the following course learning outcome:

- Compare and contrast the differences and similarities between services and manufacturing technologies, and their impact on organizational design.

Module Learning Outcomes:

- Identify and define an organization's core manufacturing technology.

- Identify and define an organization's core service technology.

Topics

1. Core Organization Manufacturing Technology
2. Core Organization Service Technology

Assessment and Activity Checklist

Here is a blended checklist of suggested and mandatory learning activities from which you will benefit in completing this module. You may find this list useful for planning your work.

✓	**Activities**
Topic 1: Core Organization Manufacturing Technology	
	Activity 1: Introductory Readings and Reflections Activity 2: "Toyota Material Handling—Production from Start to Finish" Activity 3: "Eyecandy Signs Inc."
Topic 2: Core Organization Service Technology	
	Activity 4: Readings Activity 5: "Bistro Technology" Activity 6: "Attention Facebook Shoppers—Get Ready for F-Commerce"
Submit Assignment 4 (15%)	

Resources

You will require the following resources to complete this module.

Your Textbook:

Daft, R. L., & Armstrong, A. (2015). Organization theory & design (3rd Canadian ed.). Toronto, ON: Nelson.

Slideshow Lectures (Available in your online course materials):

Module 6 – Part 1

Module 6 – Part 2

Other Resources (Available in your online course materials):

McMullen, Tim. (2011, June 27). Attention Facebook shoppers: Get ready for F-commerce. Forbes. Retrieved from http://www.forbes.com/sites/ciocentral/2011/06/27/attention-facebook-shoppers-get-ready-for-f-commerce/#195cfc74cb2f

ToyotaMHEurope. (2015, July 3). Toyota material handling - Production from start to finish [Video file]. Retrieved from https://www.youtube.com/watch?v=nFu4FFgbMY4

Topic 1: Core Organization Manufacturing Technology

Introduction

In this first topic, you will be exposed to the notion of "core technology," defined as the "work process that is directly related to the [organization's] . . . mission" (Daft & Armstrong, 2015, p. 252). You will learn that the core technology of many manufacturing firms differs in terms of its tradeoffs between economies of scale and flexibility. However, you will discover that the incorporation of newer technologies (i.e. flexible and lean manufacturing systems) offers the best of both worlds (Daft & Armstrong, 2015).

Activity 1: Introductory Readings and Reflections

Read the following sub-topics from Chapter 7 of your textbook:

      a.   A Look Inside (introduction)

      b.   Core Organization Manufacturing Technology

      c.   Contemporary Applications

Next, review Part 1 of the slideshow lecture for this lesson.

Module 6 – Part 1 Lecture (Available in your online course materials)

Module 6 - Part 1 Slides (Available in your online course materials)

After reading in your textbook and viewing the slideshow, what key learning pieces do you take away? Capture them in your learning journal.

Activity 2: "Toyota Material Handling—Production from Start to Finish"

In Activity 1, you read that some manufacturing companies are employing flexible and lean manufacturing systems in order to have the advantage of both mass production and product customization (Daft & Armstrong, 2015). Toyota is one of the leading companies in using these manufacturing technologies. In our next video, you will have the opportunity to observe the Toyota Production System (TPS), in which "computer-aided design (CAD)" and "computer-aided manufacturing (CAM)" systems are extensively used (Daft & Armstrong, 2015, p. 260). You will also see the importance of the suppliers' roles in this system. Finally, you will notice Toyota's continuous improvement philosophy and how it is implemented in everyday practices.

Watch the video (3:03 min.):

ToyotaMHEurope. (2015, July 3). Toyota material handling - Production from start to finish [Video file].

Source: https://www.youtube.com/ watch?v=nFu4FFgbMY4

Answer the following questions in your learning journal:

1. What does *lean manufacturing system* mean in the context of Toyota?

2. How can Toyota eliminate having to keep large inventories of parts? What role do the suppliers play in this process?

3. How, and how often, does Toyota make improvements in quality? If this system works so well for Toyota, why do you think more companies do not operate this way?

Activity 3: "Eyecandy Signs Inc."

After reading about Woodward's study of 100 manufacturing firms in the 1950s (Daft & Armstrong, 2015, pp. 254-256), you will learn that some of those manufacturing firms were categorized as "small-batch and unit production" that relied on "craftsmanship" and "low complexity" (i.e. labour intensive). In the next case, you will see how more contemporary technologies are allowing firms to use craftsmanship and automated machines. This is the case of "Eyecandy Signs," a firm that is blending "old and new technologies to manufacture handcrafted signs" (Daft & Armstrong, 2015, p. 258).

Read in Chapter 7 of your textbook the case "In Practice—Eyecandy Signs Inc. (Eyecandy)" and answer the following questions:

1. How is Eyecandy using old technologies?

2. How is Eyecandy blending old and new technologies"?

3. According to Exhibit 7.5: "Relationship of Flexible Manufacturing Technology to Traditional Technologies" (Daft & Armstrong, 2015, p. 265) (see slideshow lecture Module 6 – Part 1), how would you classify Eyecandy Signs in terms of technology? What would be the advantages of this technology?

Remember to record in your learning journal your takeaways from this case.

Topic 2: Core Organization Service Technology

Instructions

In this second topic, you will compare the core technologies of manufacturing and service firms. In addition, you will review the organizational dimensions of noncore

departments (Daft & Armstrong, 2015), defined as those departments that provide support to the core technologies.

Activity 4: Readings

Read the following sub-topics from Chapter 7 of your textbook:

A. Core Organization Service Technology

B. Noncore Departmental Technology

C. Department Design

Next, review Part 2 of the slideshow lecture for this lesson. Keep recording the takeaway learning pieces in your journal.

Module 6 – Part 2 Lecture (Available in your online course materials)

Module 6 – Part 2 Slides (Available in your online course materials)

Activity 5: "Bistro Technology"

For this activity, you get to take a field trip to two restaurants. One of them should be a fast-food restaurant (e.g. McDonalds or Subway), and the second one a family-owned restaurant. Your job is to be an observer. Fill in the form at the end of Chapter 7, "Workbook: Bistro Technology," and answer the questions below (Daft & Armstrong, 2015, pp. 267-268).

(If you are unable to go to these restaurants, tap into your memory of earlier dining experiences and answer the questions based on those.)

1. Based on your analysis of these two restaurants, explain for each of them how the core technology and structure are aligned with their strategic goals and environment.

2. If the owners of these restaurants hire you as a consultant, what changes in structure and core technology would you suggest to them, and why?

Record your thoughts in your journal.

Activity 6: "Attention Facebook Shoppers: Get Ready for F-Commerce"

Have you heard of Facebook commerce? Service technologies may be adapting e-commerce technology more and more towards "Facebook (F)-commerce." To learn more, read the following (Available in your online course materials):

McMullen, Tim. (2011, June 27). Attention Facebook shoppers: Get ready for F-commerce. *Forbes*. Retrieved from http://www.forbes.com/sites/ciocentral/2011/06/27/attention-facebook-shoppers-get-ready-for-f-commerce/#195cfc74cb2f

Paying special attention to the advantages of using social media to sell products, consider these questions:

1. What are the advantages from the point of view of e-commerce firms and Facebook?

2. What technological changes need to be in place for this to work?

References

Daft, R. L., & Armstrong, A. (2015). Organization theory & design (3rd Canadian ed.). Toronto, ON: Nelson.

Module 7: Organizational Culture

Overview

You have probably noticed in your experience as a worker, customer, or member of any organization that there is a particular way of doing things there. These sets of norms of behaviour are what we call organizational culture and values. They vary from one organization to another, and even from one department to another within the same company.

In this module, you will discover how different types of organizational cultures and values also shape the organizational design. For example, if a particular organization values innovation, then it would probably adopt an organizational structure in which employees can communicate with each other to discuss new ways of doing things. In contrast, if an organization values efficiency, its structural design may endorse clear rules and standard procedures to achieve productivity. You will also see that many of these values are promoted and embedded in the organization by the founder or the top leader (or managerial team).

Learning Outcomes

After completing this module, you will be able to reach the following course learning outcome:

- Evaluate the nature of organizational culture and values, and their impact on organization's strategy and structure.

Module Learning Outcomes:

- Know the nature of organizational culture, and describe the four types of organizational culture.

- Describe sources of ethical values and principles.

Topics

1. What is culture?
2. Ethical values

Assessment and Activity Checklist

Here is a blended checklist of suggested and mandatory learning activities from which you will benefit in completing this module. You may find this list useful for planning your work.

✓	Activities
Topic 1: What is Culture?	
	Activity 1: Introductory Readings
	Activity 2: "Life at Google. Inside Google's Lair - How Google Employees Work"
	Activity 3: "Zappos on CBS"
Topic 2: Ethical Values	
	Activity 4: Readings
	Activity 5: "Harvard Business School"
	Activity 6: "TELUS"

Resources

You will require the following resources to complete this module:

Your Textbook:

Daft, R. L., & Armstrong, A. (2015). Organization theory & design (3rd Canadian ed.). Toronto, ON: Nelson.

Slideshow Lectures (Available in your online course materials):

Module 7 – Part 1

Module 7 – Part 2

Other Resources (Available in your online course materials):

Ashesh. (2012, May 28). Life at Google. Inside Google's lair - How Google employees work [Video file]. Retrieved from https://www.youtube.com/watch?v=PA54HWLZ2e4

Zappos.com. (2010, June 14). Zappos on CBS [Video file]. Retrieved from https://www.youtube.com/watch?v=oYNssS_DCPo

Topic 1: What is Culture

Introduction

In this first topic, you will learn to understand how organizational cultures can be interpreted by observing the adoption of "rites and ceremonies," "stories," "symbols," and "language" (Daft & Armstrong, 2015, pp. 334-336). You will also analyze the link between type of culture and organizational design through a framework based on two dimensions: "needs of the environment" and "strategic focus" of the organization (Daft & Armstrong, 2015, p. 337).

Activity 1: Introductory Readings

Read the following sub-topics from Chapter 9 of your textbook:

   a.   Organizational Culture

   b.   Organizational Design and Culture

Next, review Part 1 of the slideshow lecture for this lesson.

Module 7 – Part 1 Lecture (Available in your online course materials)

Module 7 - Part 1 Slides (Available in your online course materials)

Remember that in this course you are encouraged to have a learning journal in which you capture your key learning. This journal can be a traditional pen and paper document or an electronic file. You will find these notes invaluable when it comes time to write an assignment or prepare for your Final Exam.

After reading in your textbook and viewing the slideshow, what key learning pieces do you take away?

Activity 2: "Life at Google. Inside Google's Lair - How Google Employees Work"

Previously, we discussed that organizations may adopt more than one type of organizational culture based on both the "needs of the environment" and the organizational "strategic focus" (Daft & Armstrong, 2015, p. 337). The next video shows a very interesting organizational culture, in which employees have a lot of perks and freedom. Interestingly, this company, Google, is at the top of the charts in terms of consistent performance in the stock exchange.

Watch the video (3:47 min.):

Ashesh. (2012, May 28). Life at Google. Inside Google's lair - How Google employees work [Video file].

Source: https://www.youtube.com/ watch?v=PA54HWLZ2e4

Answer the following questions in your learning journal:

1. What types of cultures does Google have? Explain your answer.

2. How does Google's culture shape its organizational design? Speculate if you need to.

3. To what extent does Google's culture facilitate its adaptability to the changing environment?

4. Do you think this this type of culture may work for a fast-food company such as Tim Hortons? Justify your answer.

Activity 3: "Zappos on CBS"

Many organizations use call centres to sell products. The majority of these call centres have strict rules for employees to follow and concrete scripts for employees to use when interacting with customers. This level of high formalization and standardization guaranties call centres' productivity and uniform services. Zappos may be one of the exceptions to this type of organizational design.

Watch the video (9:09 min.):

Zappos.com. (2010, June 14). Zappos on CBS [Video file].

Source: https://www.youtube.com/watch?v=oYNssS_DCPo

Answer the following questions while keeping in mind that Zappos' organizational culture is shaping its low level of formalization:

1. Some people may think that Zappos has a "clan" culture. What element of a clan culture can you identify at Zappos?

2. What type of autonomy do Zappos' employees have? What are the potential risks of giving employees that type of autonomy?

3. One may think that organizational culture may be a controlling mechanism for employees' behaviour. What role does Zappos' culture play in balancing the risks of employees' autonomy?

Keep recording your learning takeaways in your learning journal.

Topic 2: Ethical Values

Introduction

In the second topic, you will see that individuals in organizations make ethical decisions based not only on organizational culture but also other sources of values. Managers can bring their own ethical values to the organization and transfer these

values to the whole organization, producing a form of "social responsibility" that may transcend the internal boundaries of the organization (Daft & Armstrong, 2015, pp. 347-350).

Activity 4: Readings

Read the following sub-topics from Chapter 9 of your textbook:

    A. Ethical Values and Social Responsibility

    B. Sources of Ethical Values in Organizations

    C. How Leaders Shape Culture and Ethics

Next, review Part 2 of the slideshow lecture for this lesson. Keep recording the takeaway learning pieces in your journal.

Module 7 – Part 2 Lecture (Available in your online course materials)

Module 7 - Part 2 Slides (Available in your online course materials)

Activity 5: "Harvard Business School"

As you read in this module, top leaders shape and also can change the values of their organizations. Read in Chapter 9 in the textbox: "In Practice—Harvard Business School (HBS)." Reflect on the organizational culture and values that supported the discriminatory behaviours against women students and faculty at HBS by answering the following questions:

1. What kind of values is the dean of HBS endorsing in his public apology, and which is he disapproving?

2. What type of resistance to changing the organizational culture and values do you think he is going to encounter?

3. In terms of organizational design, what specific steps is he taking, and should he take, to make these new values an organizational reality? You may speculate on what he should do.

Don't forget to record in your journal your learning takeaways from this case.

Activity 6: "TELUS"

Top leaders' ethical values may be embedded in the whole organization as part of its corporate social responsibility with multiple stakeholders. For instance, a former Telus CEO made a tremendous effort to "integrate ethical and socially responsible values into the core" of the organization (Daft & Armstrong, 2015, p. 358). These efforts have been translated into the creation of "community boards" to help the local communities in which TELUS operates.

Read in Chapter 9 in the textbox: "In Practice—TELUS." Reflect on the way in which social responsibility may shape organizational structures by answering the following questions:

1. What is the purpose of the community boards?

2. What are the potential implications for TELUS' organizational design in order to support the community boards?

3. What type of values are behind this initiative?

Remember to keep recording your takeaways in your journal.

References

Daft, R. L., & Armstrong, A. (2015). Organization theory & design (3rd Canadian ed.). Toronto, ON: Nelson.

Module 8: Innovation and Change

Overview

Managers design their organizational structures and procedures to have some form of stability to deal with day-to-day activities (Daft & Armstrong, 2015). However, in Module 4, you realized that certain organizational designs are better equipped for stability, while others are more capable of adapting to the environment. Part of adapting to the environment has to do with constant change and the need to innovate. In this module, you will review the types of changes that an organization may have to deal with, such as changing its strategies, structures, products and services, culture, technology, etc.

Have you ever been part of an organization that was in the process of changing any of these aspects? As a customer, you have probably experienced problems with the services offered by an organization that was struggling with change. At the same time, you may have benefitted when the organization introduced improvements in their services or new products.

Good news: You will also learn some of the strategies that usually work when organizations implement change and innovation to benefit a variety of stakeholders.

Learning Outcomes

After completing this module, you will be able to reach the following course learning outcome:

- Compare different types of change in organizations, and assess their impact on organizational design.

Module Learning Outcomes:

- Describe the differences between radical and incremental change.

- Discuss types of organizational changes and the strategies for implementing them.

Topics

1. The Strategic Role of Change

2. Strategies for Implementing Change

Assessment and Activity Checklist

Here is a blended checklist of suggested and mandatory learning activities from which you will benefit in completing this module. You may find this list useful for planning your work.

✓	Activities
Topic 1: The Strategic Role of Change	
	Activity 1: Introductory Readings Activity 2: "Google" Activity 3: "Innovation at Procter & Gamble"
Topic 2: Strategies for Implementing Change	
	Activity 4: Readings Activity 5: "Your Experience with Barriers to Change" Activity 6: "From Face-to-Face to Online Business Education"
Assignment 5: Amazon (25%)	

Resources

You will require the following resources to complete this module.

Your Textbook:

Daft, R. L., & Armstrong, A. (2015). Organization theory & design (3rd Canadian ed.). Toronto, ON: Nelson.

Slideshow Lectures (Available in your online course materials):

Module 8 – Part 1

Module 8 – Part 2

Other Resources (Available in your online course materials):

Bloomberg. (2015, June 26). Jeff Bezos revealed: Building Amazon one box at a time [Video file]. Retrieved from https://www.youtube.com/watch?v=tfAhTtBlb2Q

Harvard Business Review. (2008, June 23). Innovation at Procter & Gamble [Video file]. Retrieved from https://www.youtube.com/watch?v=xvIUSxXrffc

Tinker, V. (2015, February 10). Amazon's Jeff Bezos looks to the future [Video file]. Retrieved from https://www.youtube.com/watch?v=oM4g3C7Lh4c

Topic 1: The Strategic Role of Change

Instructions

Topic 1 focuses our attention on the potential changes that an organization may deal with, as well as the size or impact of these changes. While the majority of organizations make incremental modifications, a few embark on bigger, more radical change (Daft & Armstrong, 2015). We will discuss the link between the types of change and their magnitude, and organizational design.

Activity 1: Introductory Readings

Read the following sub-topics from Chapter 10 of your textbook:

      a. Innovate or Perish: The Strategic Role of Change

      b. Technology Change

      c. New Products and Services

      d. Strategy and Structure Change

      e. Culture Change

Next, review Part 1 of the slideshow lecture for this lesson. After reading in your textbook and viewing the slideshow, what key learning pieces do you take away?

Module 1 – Part 1 Lecture (Available in your online course materials)

Module 1 – Part 1 Slides (Available in your online course materials)

Activity 2: "Google"

In this module, you have noted that organizational design, in particular different variations of organic structures, facilitates and supports the process of innovation and technology change (Daft & Armstrong, 2015). In Module 7, we analyzed Google's unique organizational culture that was oriented to promote collaboration and learning. In Module 8, we are now revisiting this company to illustrate how its organizational culture and structure are aligned to promote innovation.

Did you know that many of Google's products that you may have used (e.g. Gmail, their search engine, software for managing digital pictures, etc.) emerged as part of Google's organizational culture and design? I encourage you to read the next case located in Chapter 10 in your textbox, "Leading by Design: Google." Answer the following questions in your learning journal:

1. Who is in charge of innovation at Google? Is innovation centralized or decentralized?

2. What mechanisms are in place to facilitate innovation at Google?

3. In what sense is Google's organizational culture and structure facilitating the innovation process?

Activity 3: "Innovation at Procter & Gamble"

Have you ever bought shampoos, deodorants, detergents, toilet paper, shaving products, and toothpaste? Then you have likely bought Procter & Gamble (P&G) products. Many of its brands of products are leading the market, thanks not only to great marketing campaigns but also to product innovation. In the next video, you will explore the process of innovation at P&G.

Watch the video (14:27 min.):

Harvard Business Review. (2008, June 23). Innovation at Procter & Gamble [Video file].

Source: https://www.youtube.com/watch?v=xvIUSxXrffc

Answer the following questions and record your takeaways in your learning journal:

1. What is the role of the CEO in terms of innovation at P&G?

2. In what sense has the notion of innovation changed in the words of P&G's CEO?

3. From the point of view of organizational structure, who is involved in innovation at P&G? If you compare the structure of Google (Activity 2, Module 8) with that of P&G, what is different?

Topic 2: Strategies for Implementing Change

Introduction

In Topic 2, we will review specific steps that have helped managers implement successful change. You will analyze a few organizations that successfully implemented change. In addition, you will have the opportunity to put on the hat of a manager who is tasked with implementing change.

Activity 4: Readings

Read the following sub-topics from Chapter 10 of your textbook:

A. Strategies for Implementing Change

Next, review Part 2 of the slideshow lecture for this lesson. Keep recording the takeaway learning pieces in your journal.

Module 8 – Part 2 Lecture (Available in your online course materials)

Module 8 – Part 2 Slides (Available in your online course materials)

Activity 5: "Your Experience with Barriers to Change"

In this second topic of Module 8, you read that with any change, personal or organizational, there would always be barriers that can frustrate the attempts to implement change successfully. Think of an experience you have had with change either in your personal life (e.g. starting a new lifestyle, learning a new language, etc.) or working for an organization (e.g. changes with a system or procedure) that resulted in a negative outcome.

Answer the following questions in your learning journal:

1. Describe what was supposed to change and for what purpose.

2. Which outcomes were positive and which ones were negative?

3. Based on the "barriers to change" (Daft & Armstrong, 2015, pp. 396-397), identify three barriers that were the greatest obstacles to this change being successful.

4. What could you or somebody else (e.g. your boss) have done differently to overcome the barriers to change?

Activity 6: "From Face-to-Face to Online Business Education"

In this hypothetical case, you have to put on the hat of the dean of the business school at ABC University. ABC University is planning to engage in a radical change by closing their face-to-face courses within four years and replacing them with online courses, starting in the next two years. You have been hired as the dean of the business school, and your job is to make this strategic change successful.

Within your school, you have four academic departments (Marketing, Management, Economics, and Accounting and Finance). Each department has a chair and 8–12 faculty members. In addition, you have a staff of 10 people in charge of administrative tasks. The university is adding a new department called "Online Learning" that is composed of 20 experts in online education with different skills (e.g. online course design, video production, website design, test design, etc.) to support each school in this new endeavour.

According to the "Strategies for Implementing Change" (Daft & Armstrong, 2015, pp. 394-400), answer the following questions:

1. What steps will you take to overcome the resistance to change in the business school?

2. Of the seven steps for implementing change discussed in this module, choose the two most important ones, in your opinion, and describe how they can be applied in this context.

Record your takeaways in your learning journal.

References

Daft, R. L., & Armstrong, A. (2015). Organization theory & design (3rd Canadian ed.). Toronto, ON: Nelson.

Module 9: Decision Making

Overview

I am sure that you have had to make many important decisions in your life—for example, what type of post-secondary education to pursue, where to study, and where to live. I bet that, when you are considering these types of decisions, you try to follow the "rational approach" of decision making (Daft & Armstrong, 2015, p. 412). This approach consists of being objective and rational in order to achieve the best possible outcome.

However, on many occasions, you probably followed the "bounded rationality" approach when making decisions (Daft & Armstrong, 2015, p. 412). This means that you do not follow the rational approach, because your rational process of decision making is bound by many circumstances. For example, you do not have access to enough information, or you have to make compromises with other parties, and/or your emotions cloud your judgement. In organizations, managers experience these circumstances often when making decisions.

In this module, you will study the decision-making process as you review four different models of decision making in organizations.

Learning Outcomes

After completing this module, you will be able to reach the following course learning outcome:

- Appraise several models of decision making in organizations.

Module Learning Outcomes:

- Explain different organizational processes of decision making.

- Discuss the contingency decision-making framework.

Topics

1. Models of Organizational Decision Making

2. The Contingency Decision-Making Framework

Assessment and Activity Checklist

Here is a blended checklist of suggested and mandatory learning activities from which you will benefit in completing this module. You may find this list useful for planning your work.

✓	Activities
Topic 1: Models of Organizational Decision Making	
	Activity 1: Introductory Readings Activity 2: "Paramount Pictures" Activity 3: "How Netflix Leverages Big Data"
Topic 2: The Contingency Decision-Making Framework	
	Activity 4: Readings Activity 5: "Gillette Company" Activity 6: "CEO Carlos Ghosn of Renault-Nissan Alliance on Innovation"
Continue work on Assignment 5	

Resources

You will require the following resources to complete this module.

Your Textbook:

Daft, R. L., & Armstrong, A. (2015). Organization theory & design (3rd Canadian ed.). Toronto, ON: Nelson.

Slideshow Lectures (Available in your online course materials):

Module 9 – Part 1

Module 9 – Part 2

Other Resources (Available in your online course materials):

Linux Foundation Events. (2016, May 20). Keynote: How Netflix leverages big data - Brian Sullivan, director of Streaming Analytics, Netflix [Video file]. Retrieved from https://www.youtube.com/watch?v=hTfIAWhd3qI

Stanford Graduate School of Business. (2014, January 21). CEO Carlos Ghosn of Renault-Nissan Alliance on innovation [Video file]. Retrieved from https://www.youtube.com/watch?v=r2gZ_23z92o

Topic 1: Models of Organizational Decision Making

Introduction

In this first topic, you will review the process of both individual and organizational decision making. You will see that managers face "programmed" and "nonprogrammed" decisions (Daft & Armstrong, 2015, p. 411). The former are those decisions with which managers are familiar and can solve in a systematic way. The latter are those situations where managers do not have a clear diagnosis of the problems, nor a clear way to solve them. In addition, you will be exposed to four ways in which decision making happens in organizations.

Activity 1: Introductory Readings

Read the following sub-topics from Chapter 11 of your textbook:

   a.   Definitions

   b.   Organizational Decision Making

   c.   The Learning Organization

Next, review Part 1 of the slideshow lecture for this lesson.

Module 9 – Part 1 Lecture (Available in your online course materials)

Module 9 - Part 1 Slides (Available in your online course materials)

After reading in your textbook and viewing the slideshow, what key learning pieces do you take away?

Activity 2: "Paramount Pictures"

In your introductory readings, you reviewed that managers can make decisions by fluctuating between two extremes: following their intuitions or being driven by detailed analysis (Daft & Armstrong, 2015). I encourage you to keep these extremes in mind while reading the next case found in your textbook's Chapter 11, "In Practice—Paramount Pictures (Paramount)."

Answer the following questions in your learning journal:

1.   How would you describe the level of success of Paramount? Justify your answer.

2.   Who is in charge of decision making in regards to selecting scripts and actors? In what sense is the decision-making process analytical versus intuitive? Explain your reasoning.

Activity 3: "How Netflix Leverages Big Data"

Make sure you read the "management science approach" as a model of decision making in organizations (Daft & Armstrong, 2015, pp. 421-423). You may have noticed that this model is used when problems are well known and "variables can be identified and measured" (p. 422). The extensive use of mathematical models and algorithms allows us to solve these problems. Many companies that gather data use algorithms to identify relevant relationships. Netflix prides itself on basing its decisions on user data.

Watch the following video (from min. 6:24 to 18:46):

Linux Foundation Events. (2016, May 20). Keynote: How Netflix leverages big data - Brian Sullivan, director of Streaming Analytics, Netflix [Video file].

Source: https://www.youtube.com/watch?v=hTfIAWhd3qI

Answer the following questions and record your takeaways in your learning journal:

1. What type of data does Netflix gather from its members? List potential variables.

2. Explain how Netflix might use the management science approach for decision making with the data it gathers. What decisions do managers make with this approach?

Topic 2: The Contingency Decision-Making Framework

Introduction

In Topic 2, you will now study a framework to categorize the four models of decision making discussed in Topic 1 of this module. This categorization is based on "two dimensions of problem consensus and technical knowledge about solutions" (Daft & Armstrong, 2015, pp. 436-437). Managers may or may not be certain about what the problem is, and they may or may not know the appropriate solution to that problem. Based on this, a particular model of decision making may be used.

Activity 4: Readings

Read the following sub-topics from Chapter 11 of your textbook:

A. Contingency Decision-Making Framework

Next, review Part 2 of the slideshow lecture for this lesson. Keep recording the takeaway learning pieces in your journal.

Module 9 – Part 2 Lecture (Available in your online course materials)

Module 9 – Part 2 Slides (Available in your online course materials)

Activity 5: "Gillette Company"

Some organizations use the "incremental decision process model," in which managers follow a series of stages to identify and solve a problem (Daft & Armstrong, 2015, pp. 427-428). In this model, a few managers "become aware of a problem and the need to make a decision," and engage in a problem "identification phase" (p. 426), in which more data is gathered to refine the problem. Then, managers engage in the "development phase" (p. 426), in which they search and screen for previously used solutions, or design a newer, more tailored solution. The final phase is the "selection," when managers follow different ways of evaluating the alternatives and making a decision.

Read the following case found in Chapter 11 of your textbox, "In Practice—Gillette Company." Answer the following questions in your learning journal:

1. Describe the specific steps that Gillette takes in using the incremental decision process model to improve its razors. Use each of the phases on this model.

2. How successful has this model of decision making been for Gillette? Justify your answer.

3. Is this model better for Gillette in comparison to using the management science approach? Justify your answer.

Activity 6: "CEO Carlos Ghosn of Renault-Nissan Alliance on Innovation"

The majority of organizations follow the "garbage can model," which blends the "Carnegie model" (i.e. political process of identifying problems) and the "incremental decision process" (i.e. search or design and selection of alternative solutions) (Daft & Armstrong, 2015, pp. 430-434). In the garbage can model, many problems emerge at different times, and many managers, including middle-level managers, interact to frame these problems and negotiate with others the priorities to attend to, along with alternative solutions. For this reason, this process has been termed an "organized anarchy" (see Exhibit 11.7, p. 433).

In our next video, you will have the opportunity to see this model in action by watching an interview with the CEO of Renault-Nissan Alliance. Pay attention to the way in which he and his top managerial team identified the main problems and found solutions to rescue Nissan from bankruptcy.

Watch the video (from min. 2:38 to 14:00):

Stanford Graduate School of Business. (2014, January 21). CEO Carlos Ghosn of Renault-Nissan Alliance on innovation [Video file].

Source: https://www.youtube.com/watch?v=r2gZ_23z92o

Answer the following questions:

1. In what ways did Carlos and his team use the Carnegie model when trying to identify problems at Nissan? If you read between the lines, to what extent did he engage in a political process when defining what problems to attend to?

2. Explain how Carlos and his team used the incremental decision process to find alternative solutions.

3. Explain how this process of decision making, after Carlos became the CEO and up until this day, may be an "organized anarchy" as part of the garbage can model.

Record your takeaways in your learning journal.

References

Daft, R. L., & Armstrong, A. (2015). Organization theory & design (3rd Canadian ed.). Toronto, ON: Nelson.

Module 10: Conflict Power and Politics

Overview

I am sure you have experienced all types of conflicts at school, in your family, with your friends, and/or at work. This is normal and, in some cases, it can be very productive. In this module, you will discover how you personally handle conflict. In addition, you will review the different sources of conflict that people experience at work. We will also discuss the centres of power in organizations, and how managers engage in political activities to influence specific outcomes to protect their own interests, those of their departments, and/or the accomplishment of organizational goals.

Learning Outcomes

After completing this module, you will be able to reach the following course learning outcome:

- Identify the different sources and types of conflict, and the use of power and political tactics to reduce conflict in organizations.

Module Learning Outcomes:

- Describe the sources of intergroup conflict in organizations.

- Define politics, and understand when political activity is necessary for organizations.

Topics

1. Conflict in Organizations
2. Power and Politics in Organizations

Assessment and Activity Checklist

Here is a blended checklist of suggested and mandatory learning activities from which you will benefit in completing this module. You may find this list useful for planning your work.

✓	**Activities**
Topic 1: Conflict in Organizations	
	Activity 1: Introductory Readings Activity 2: "Personal Reflection on Sources of Conflict?" Activity 3: "How Do You Handle Conflict?"
Topic 2: Power and Politics in Organizations	
	Activity 4: Readings Activity 5: "Semco" Activity 6: "Yahoo!"
Submit Assignment 5 (25%)	

Resources

You will require the following resources to complete this module:

Your Textbook:

Daft, R. L., & Armstrong, A. (2015). Organization theory & design (3rd Canadian ed.). Toronto, ON: Nelson.

Slideshow Lectures (Available in your online course materials):

Module 10 – Part 1

Module 10 – Part 2

Topic 1: Conflict in Organizations

Instructions

In Topic 1 of this module, you will review the different sources of conflict that you may encounter in your personal experience, and certainly at work (Daft & Armstrong, 2015). In addition, you will reflect on how you have handled conflict in the past, in relation to the importance of the issue and the characteristics of your opponent.

Activity 1: Introductory Readings

Read the following sub-topics from Chapter 12 of your textbook:

    a.   Intergroup Conflict in Organizations

Next, review Part 1 of the slideshow lecture for this lesson.

Module 10 – Part 1 Lecture (Available in your online course materials)

Module 10 – Part 1 Slides (Available in your online course materials)

After reading in your textbook and viewing the slideshow, what key learning pieces do you take away? Capture them in your learning journal.

Activity 2: "Personal Reflection on Sources of Conflict?"

Before doing this activity, read the "sources of intergroup conflict," "goal incompatibility," "differentiation," "task interdependence," and "limited resources" in your textbook on pages 456–458, or as reviewed in the lecture "Module 10 – Part 1."

Over your lifetime, you have had many roles—for example, employee, citizen, student, family member, and friend. Each role brings unique challenges and often conflict. Reflect on four different conflict situations you may have experienced in the past, each with a different person. Describe the source of the conflict.

Type of Source:	Your role (e.g. student, worker, etc.) Role of the person with whom you were in conflict	Describe the conflict
Goal incompatibility		
Differentiation		
Task interdependence		
Limited resources		

After completing this table, answer the following two questions:

1. Was the source of conflict different with each person?

2. How important was each of these conflicts for you and the other person? Why?

Activity 3: "How Do You Handle Conflict?"

The purpose of this activity is to gain self-awareness of the strategies you usually use to handle conflict. This activity builds on the previous activity (Activity 2). At the end of Chapter 12, you will find the "How Do You Handle Conflict?" questionnaire (pp. 482-483). Answer the questionnaire for each of the persons you listed in Activity 2. Remember to answer the questionnaire four times, once for each person on your list.

After filling out the questionnaire for each person, use the "scoring and interpretation" provided in the textbook (Daft & Armstrong, 2015, p. 483). This scoring system will tell you three possible categories of strategies (i.e. "solution-oriented," "nonconfrontational," and "control") that you may have used to handle conflict with each of the persons on your list. Evaluate your score, and read its interpretation in the textbook.

Now, reflect on the following questions:

1. Did you use the same strategy for handling conflict, or did you use a different strategy according to the person? Explain.

2. Are there differences in the way you handle conflict if the person is in a position of authority, close to you, or a peer? Make comparisons.

3. Did your strategy change depending on the importance of the issue at hand? Explain.

Record your takeaways in your learning journal.

Topic 2: Power and Politics in Organizations

Introduction

Topic 2 reviews the importance of power and political activities in organizations, and how they influence specific outcomes. In addition, you will discover the individual and organizational sources of power (Daft & Armstrong, 2015).

Activity 4: Readings

Read the following sub-topics from Chapter 12 of your textbook:

A. Power and Organizations

B. Using Power, Politics and Collaboration

Next, review Part 2 of the slideshow lecture for this lesson. Keep recording your takeaway learning pieces in your journal.

Module 10 – Part 2 Lecture (Available in your online course materials)

Module 10 – Part 2 Slides (Available in your online course materials)

Activity 5: "Semco"

As you read in this section, power is very important to influence specific outcomes. Power can be concentrated "vertically" or "horizontally" (Daft & Armstrong, 2015, pp. 462-470), and managers can use it for self-serving interests when making decisions, regardless of the quality of the decision. For that reason, some organizations "push the power down the hierarchy and share it with employees" by empowering them, to various degrees (Daft & Armstrong, 2015, pp. 465-466).

The next case introduces Semco, an organization that is empowering employees in different ways. Read that case, "In Practice—Semco," found in Chapter 12 of your textbook. Answer the following questions in your learning journal:

1. What is the purpose of empowering employees at Semco?

2. What specific activities provide power to employees at Semco?

Activity 6: "Yahoo!"

If you have some work experience, you are aware that engaging in political activities is important to influence the decision-making process in an organization. Managers perform political activities not only for self-serving purposes, but also to protect the interests of their departments or the strategic goals of the whole organization (Daft & Armstrong, 2015). Yet, sometimes, top executives assume that everybody will protect the interest of the whole organization at the expense of personal interests.

This is the case of Yahoo!, a company that pioneered and led one of the most profitable and successful search engines before Google's time. Read the following case found in Chapter 12 of your textbox: "In Practice—Yahoo!"

Answer the following questions in your learning journal:

1. What was the strategic relevance of Yahoo! acquiring eBay, according to CEO Tim Koogle?

2. Can you describe the self-serving interests of the second on board, Jeffrey Mallet, to try to oppose to the deal with eBay? What type of political activities did he engage in to influence the decision-making process?

3. What was the cost to CEO Tim Koogle for ignoring the power of political activities in a strategic deal? Can you blame him? Explain.

Record your takeaways in your learning journal.

References

Daft, R. L., & Armstrong, A. (2015). Organization theory & design (3rd Canadian ed.). Toronto, ON: Nelson.

Module 11: Designing Organizations for International Environments

Overview

So far, we have covered most of the factors that shape the contextual and structural dimensions of organizational design. In Module 2, you reviewed that the strategy of an organization influences the type of structure needed to accomplish the strategic goals. In Module 11, you will see a variation of this: An organization that internationalizes its operations needs to choose an appropriate global strategy and a fitting structure (Daft & Armstrong, 2015).

Many well-known organizations are internationalizing their operations to have access to larger markets, technology, low-cost production, and other factors. In some cases, they will internationalize by creating alliances with other organizations. Either way, any form of international expansion will affect the organizational design, creating more complexity. For instance, managers will have to decide whether they will create a centralized structure in which decisions are made in the home country, or a decentralized structure in which decisions are made in each host country. We will now explore the advantages and disadvantages of these distinct designs.

Learning Outcomes

After completing this module, you will be able to reach the following course learning outcome:

- Compare and contrast the different types of structures that fit the global strategy.

Module Learning Outcomes:

- Explain the stages of international development.

- Describe structural design options for international operations.

Topics

1. Entering the Global Arena
2. Design Structure to Fit the Global Strategy

Assessment and Activity Checklist

Here is a blended checklist of suggested and mandatory learning activities from which you will benefit in completing this module. You may find this list useful for planning your work.

✓	Activities
Topic 1: Entering the Global Arena	
	Activity 1: Introductory Readings Activity 2: "Burger King Plans Expansion of Tim Hortons" Activity 3: "Magna International"
Topic 2: Design Structure to Fit the Global Strategy	
	Activity 4: Readings Activity 5: "McCain Foods Limited" Activity 6: "Asea Brown Boveri Ltd. (ABB)" Activity 7: Final Reflections
Final Exam	

Resources

You will require the following resources to complete this module.

Your Textbook:

Daft, R. L., & Armstrong, A. (2015). Organization theory & design (3rd Canadian ed.). Toronto, ON: Nelson.

Slideshow Lectures (Available in your online course materials):

Module 11 – Part 1

Module 11 – Part 2

Other Resources (Available in your online course materials):

IMD business school. (2011, December 8). Interview with Donald Walker, CEO, Magna International Inc. [Video file]. Retrieved from https://www.youtube.com/ watch?v=SBVOiGAmtI8

NEWS 1130. (2017, January 27). Tim Hortons expanding into Mexico [Video file]. Retrieved from https://www.youtube.com/watch?v=a8p0SNAJU4U

WIVBTV. (2014, August 26). Burger King plans expansion of Tim Hortons [Video file]. Retrieved from https://www.youtube.com/watch?v=8jFDU6wg3QU

Topic 1: Entering the Global Arena

Introduction

In Topic 1, you will learn about the different "stages of international development" of organizations (Daft & Armstrong, 2015, pp. 216-217). In addition, you will reflect on the advantages of each stage in terms of market potential, but also the complexities of the organizational structure.

Activity 1: Introductory Readings

Read the following sub-topic from Chapter 6 of your textbook:

      a.   Entering the Global Arena

Next, review Part 1 of the slideshow lecture for this lesson.

Module 11 – Part 1 Lecture (Available in your online course materials)

Module 11 – Part 1 Slides (Available in your online course materials)

After reading in your textbook and viewing the slideshow, what key learning pieces do you take away? Capture them in your learning journal.

Activity 2: "Burger King Plans Expansion of Tim Hortons"

There are many reasons for organizations to expand their international operations, such as economies of scale and access to low-cost manufacturing (Daft & Armstrong, 2015). If you are in Canada, you are familiar with Tim Hortons and its high penetration in the domestic market. I invite you to watch the next two videos about the alliance between Burger King and Tim Hortons (Tim's) and the potential for Tim's international expansion:

- Video 1 (2:35 min.):
  WIVBTV. (2014, August 26). Burger King plans expansion of Tim Hortons [Video file].
  Source: https://www.youtube.com/watch?v=8jFDU6wg3QU

- Video 2 (from min. 0 to 0:58):
  NEWS 1130. (2017, January 27). Tim Hortons expanding into Mexico [Video file].
  Source: https://www.youtube.com/watch?v=a8p0SNAJU4U

Answer the following questions in your learning journal:

1. What are the reasons for Burger King to partner with Tim Hortons?

2. What are the potential reasons for Tim Hortons' international expansion? How can Burger King help with this expansion?

3. What are the barriers for Tim's to succeed in the USA and in Latin America? Speculate to answer this question.

Activity 3: "Magna International"

According to the "Stages of International Development" (Daft & Armstrong, 2015, p. 218-219) (see slideshow lecture Module 11 – Part 1), organizations can be strategically oriented in terms of internationalizing their operations from the "domestic" to the "global" arena, passing through different stages. Each of these stages brings an increase in "market potential" and challenges in terms of structure.

Having that in mind, in the next video, you will see a Canadian auto parts supplier, Magna International, which has evolved through some of these stages. Watch the video (from min. 0 to 10:03):

IMD business school. (2011, December 8). Interview with Donald Walker, CEO, Magna International Inc. [Video file].

Source: https://www.youtube.com/watch?v=SBVOiGAmtI8

Answer the following questions in your learning journal:

1. In which stage of international development would you locate Magna International, and why?

2. Why does Magna International have so many plants around the world? Wouldn't it be easier to have fewer plants just in Canada, and to export parts to the rest of the world? Explain.

3. In what way would you say that Magna International has both a decentralized structure and a centralized structure?

Topic 2: Design Structure to Fit the Global Strategy

Introduction

In this topic, you will be exposed to the types of globalization strategies that managers choose when internationalizing their organizations. They will face the "dilemma" of choosing between "global standardization" and "national responsiveness" (Daft & Armstrong, 2015, p. 222). Having a standard product enhances economies of scale, but ignores local needs in each region. Contrary to this, choosing to respond to local needs in each region is usually accompanied by additional costs and the loss of economies of scale. In any case, the design of the structure will have to fit the selected global strategy.

Activity 4: Readings

Read the following sub-topic from Chapter 6 of your textbook:

A. Designing Structure to Fit Global Strategy

Next, review Part 2 of the slideshow lecture for this lesson.

Module 11 – Part 2 Lecture (Available in your online course materials)

Module 11 – Part 2 Slides (Available in your online course materials)

Keep recording the takeaway learning pieces in your journal.

Activity 5: "McCain Foods Limited"

According to the different designs of structure to fit the global strategy (Daft & Armstrong, 2015) (see slideshow lecture Module 11 – Part 2), read the next case and keep in mind the types of global strategy and structure that McCain Foods is adopting. The case is located in Chapter 6 in the textbox: "In Practice—McCain Foods Limited (McCain)."

Answer the following questions in your learning journal:

1. What type of global strategy is McCain Foods pursuing? What are the advantages and disadvantages of this strategy in the context of this case?

2. What type of organizational structure is McCain Foods adopting? How centralized or decentralized is each of the manufacturing plants in each region? **Tip:** Pay attention to where the decision making for the final product occurs (headquarters in Canada or in each region where the company operates).

Activity 6: "Asea Brown Boveri Ltd. (ABB)"

In this last case, you will identify a more complex global strategy that requires a more complex organizational structure. This type of structure is rarely adopted by organizations because it is very challenging to implement. However, ABB is one of the few examples of multinational companies that have implemented this structure.

Read the case located in Chapter 6 of your textbox: "Leading by Design—Asea Brown Boveri Ltd. (ABB)." Answer the following questions in your learning journal:

1. What type of global strategy is ABB pursuing?

2. What type of organizational structure was adopted by ABB? What are the advantages of this structure?

3. How does reporting to the chain of command work here? Can you see any potential sources of conflict? Explain.

Activity 7: Final Reflections

At the very beginning of this course, you were asked to reflect on the following two questions:

- What brought you into this *Organizational Theory and Design* course?

- What questions would you like to have answered by the end of this course?

Now that you are almost at the end of your course, it's time to reflect back:

- Did this course meet your expectations?

- What questions did it answer? What questions did it open up? (Remember the old adage, that some of the best learning leaves you with the awareness that you have so much more to learn.)

In your introductory email to your Open Learning Faculty Member, you also shared the grade you would like to earn in this course. Are you on track to reaching your goal?

References

Daft, R. L., & Armstrong, A. (2015). Organization theory & design (3rd Canadian ed.). Toronto, ON: Nelson.