

An Approach for Re-Engineering Organization of MISK Company

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Abstract.

The purpose of this paper is to be an Approach for Re-Engineering Organization especially in the area of management structure and other areas when it is appropriate, to improve the performance of MISK Company (Media plus co, Ibrize co, Saadda co and Kema co.). This project reveals that MISK has too much centralization that gives it inflexible and bureaucratic structure, decisions made far from specialist's level, poor coordination and experienced duplication, which is waste, inefficient and causes confusion. It shows also that it has poor communication channel. Furthermore, it shows that there is lack of job satisfaction. The project shows that all these problems caused by poor organization structure. The research findings and results confirms that according to the size of MISK, its limited resources and the problems that it faces, the authors propose the matrix structure to be the MISK management structure.

Keywords. Re-Engineering organization, management structure, centralization, duplication, job satisfaction, matrix structure.

1. Introduction

As consequence of hard competition, rapid market changes therefore firms are pushed to apply organization redesign techniques and further to restructure themselves from more traditional and rigid form to more integrative and flexible designs and determine the suitable structure for them according to their environments, processes and conditions [1] in order to be at high level of performance and improve their products/services quality, to meet customer satisfaction and to ensure their survival in the marketplace.

Where the organization's structure is the framework which explains how its resources are allocated, managed, lines of communication and decision making [2].

Structure is very important; it is the corner stone's for any organization, whatever its size. With increasing size there will be great necessity for well-designed and successful structure of organization, there is also need for continually review to ensure the most suitable structure for the organization. Structure also affects job satisfaction and moral of the employees [3].

Due that Libyan organization had paid attention to the latest scientific management and implement its methodologies, tools, and aspects to improve their performance and influence to be competitive and to ensure their survival in local and international market.

“According to Durcker it is the correct design of structure which is of most significance in determining organizational performance” [3].

MISK is an agent for industrial equipment and is a Libyan company. MISK is suffering from several problems resulted mainly from poor structure of the company that this paper will identify it. So it wailing to apply organization re-engineering methodologies to improve its performance. And that is why authors have chosen this subject (An Approach for Re-Engineering Organization of MISK Company) to design best and most suitable management structure for MISK Company, in order to establish the correct foundation of the company, improve it's performance and to overcome it's problems.

2. Project Aim

The aim of the project is to apply organization re-engineering methodologies especially in the area of management structure to improve the performance of MISK Company.

The project aim is to design the best and most suitable management structure for the company according to the modern principles and methodologies of HRM (Human resources management) to improve its performance.

3. Project objectives

- 1) Study the current situation of the MISK Company especially in the area of management structure.
- 2) Define the research findings and synthesise to literature review.
- 3) Design the management structure to ensure that the action of individuals is coordinated and controlled to achieve the benefits of collective action.
- 4) Maintain good communications and enhance the relationship between management and employees.
- 5) Ensure the most effective use of the resources available within the organization.
- 6) Obtain job satisfaction of the employees and encourage their involvement.

4. Study the current situation of MISK

The researchers chose the questionnaire as an essential collecting data and research method. The questionnaire was designed and 80 sent copies to the MISK Company staff, 24 of them responded and that represented 30 % of the staff.

4.1. Analysis and results of the questionnaire

1. How long have you been working for MISK Company?

Table 1: Experience

No.	Working years	Frequency	%
1	More than 10 years	7	29.167
2	From 7 to 10 years	3	12.5
3	From 3 to 5 years	2	8.33
4	From 1 to 3 years	10	41.67
5	Less than 1 year	2	8.33

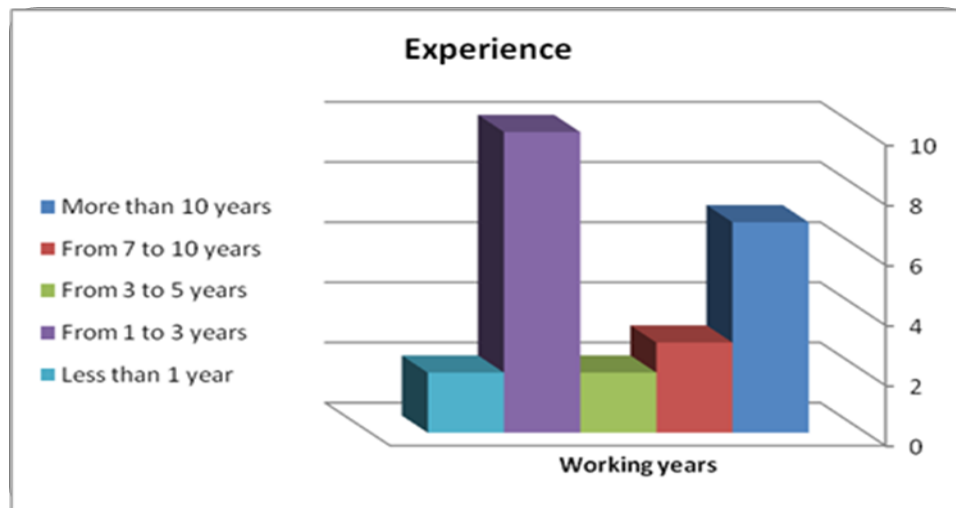


Figure 1: Experience

2. What is your education level?

Table 2: Educational level

No.	Educational degree	No. of staff	%
1	Master	2	8.33
2	Bachelor	10	41.66
3	High diploma	5	20.83
4	Average diploma	7	29.16

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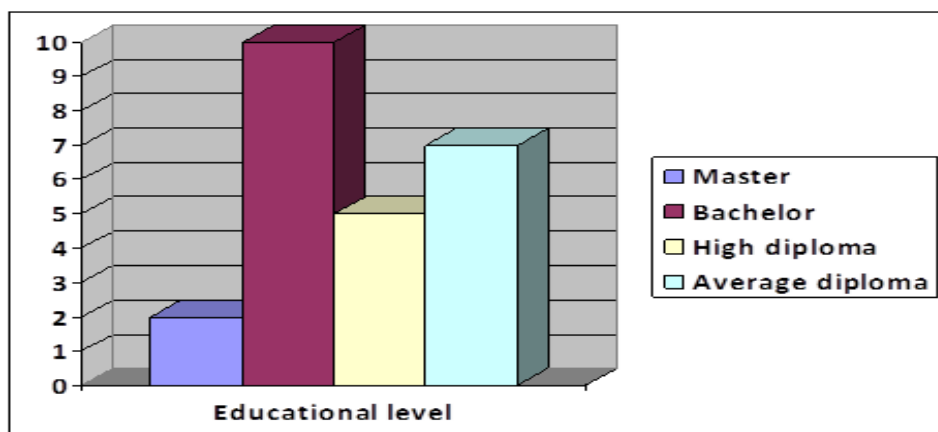


Figure2: Educational level

3. Whose authorized to take decisions?

Table 3: Decision maker

No.	Answers	respondents	%
1	General manager	12	50
2	Senior managers	8	33.33
3	They don't know	2	8.33
4	No answer	2	8.33

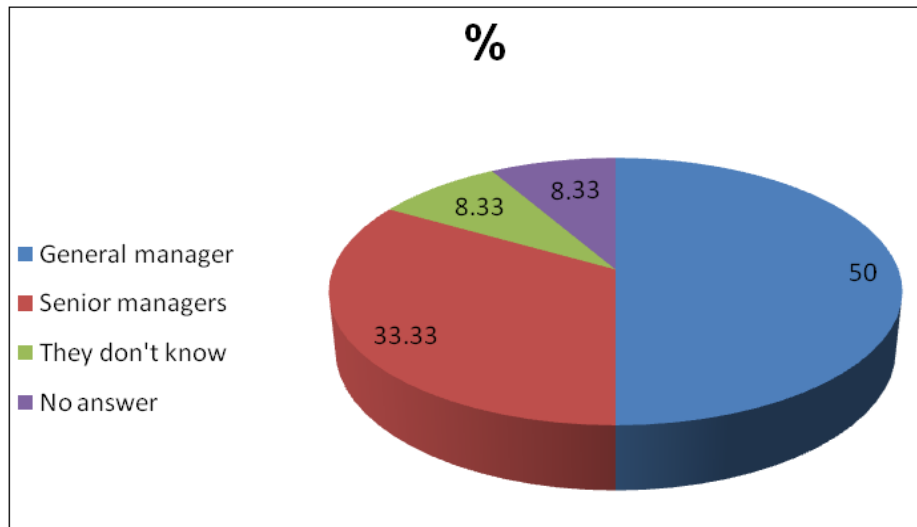


Figure 3: Decision maker

4. Are your tasks well defined?

14 responded [Yes] represented 58.33 %

8 responded [No] represented 33.33 %

2 responded [Nil] represented 8.34 %

5. Is it happened that somebody else being responsible on your specific output with you?

Table 4: Duplication

No.	Answers	Respondents	%
1	None	1	4.16
2	Rarely	7	29.16
3	Sometimes	14	58.33
4	Usually	2	8.33

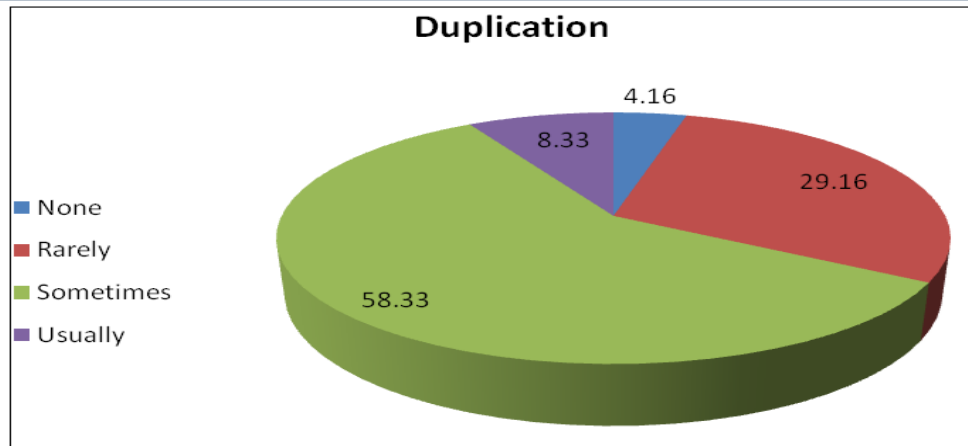


Figure 4: Duplication

6. Are you satisfied with working for MISK?

Table 5: Employees satisfaction

No.	Answers	Respondents	%
1	Strongly satisfied	5	20.83
2	Satisfied	10	41.66
3	Unsatisfied	9	37.50

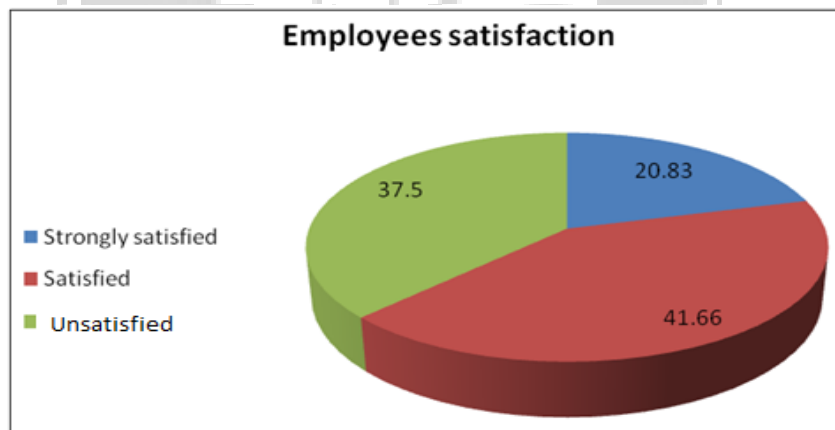


Figure 5: Employees satisfaction

7. Are you involved in decision making regarding your work?

Table 6: Decision making involvement

No.	Answers	Respondents	%
1	Yes	7	29.16
2	No	17	70.83

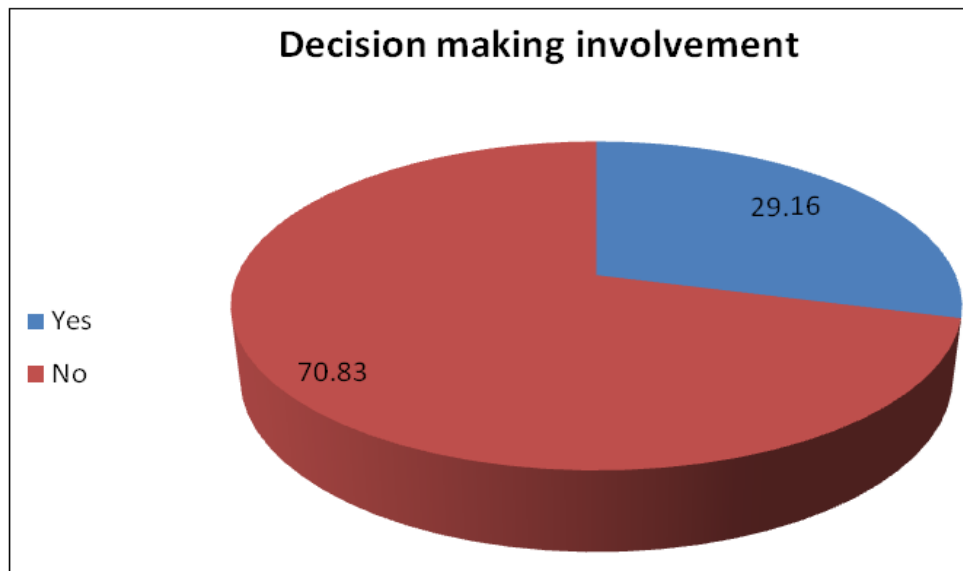


Figure 6: Decision making involvement

5. Discussion

This paper studied the MISK current situation and carried out research about the company and identified the finding and results in order to provide the MISK redesign plan.

Due to the problems that MISK faced and was caused by its poor structure such as:

1- Too much centralization; about 83% of the respondents see that the decisions made far from specialist's level and it damages moral. So MISK should maintain less centralization structure and more flexible

2- Poor coordination, 33.33% said that their tasks are not well defined.

3- Duplication; 58% of the respondents sometimes experienced duplication when somebody else being responsible on their output at the same time, 8% usually experienced this and together representing about 66 % of the respondents experienced the same overlapping.

4- Poor communication channel; 71% of the respondents face information unavailability obstacle. This indicates that there is problem in the design of 'the organization's information systems which includes all of the information producing the action of the organization. These actions should deliver the correct information, in the correct form, at the correct time to the right person (the decision maker). So organization must design proper communication channels in order to be effective [4]. Poor communication is one of the consequences of the poor organization structure [2], and it's one of the obstacles to maintain quality [4]. Right organization's structure as Daft wrote will provide vertical and horizontal information flow which needed to carry out the work, unless people either will be in

shortage of information or they will apply more efforts getting the information which is not in scope of their work, thus discourage willingness [5].

5- Job satisfaction; 37.5% of the respondents are unsatisfied, 37.5% is significant indicator and it is mainly due several reasons such as duplications, poor motivation and poor organization structure, Mullins said that organization structure affects job satisfaction of the employee, so he emphasized on design the right structure to motivate the organization's members and to ensure the most effective performance of the organization [3].

Since MISK is small company consists of three sections, with limited resources, and most of its business with public sector which seems to be like transaction along the year when it win the tenders from public sector projects, with addition to the above structure problems, however each design has positive and negative sides and managers attempt to determine the most suitable and benefits, and fewest constraints design [6] therefore the authors decided to design the optimum management structure to MISK which suits its current situation, resources and strategy and eliminate the problems faced the current structure as possible. Referring to literature the authors proposes the matrix structure to be the MISK management structure. Because matrix has in the same time the features of product

division and functional structure, it is suitable for limited resources, it gives high levels of human motivation and empowerment, also matrix structure is responsive, flexible and efficient.

6. Conclusion

Based on the research findings and results concluded the following:

- 1- MISK has too much centralization, that gives it inflexible and bureaucratic structure, decisions made far from specialist's level and it damages moral. So MISK should maintain less centralisation structure and more flexible.
- 2- Poor coordination caused by poor organisation structure, so the company should reduce the number of levels in the structure as possible to get good coordination.
- 3- MISK experienced duplication, it is waste, inefficient and causes confusion, and the company should well define the accountabilities and responsibilities by maintain good organization's structure will reflects good distribution and allocation of responsibilities.
- 4- Poor communication channel. This indicates that there is problem in the design of the organization's information systems. So MISK must design proper communication channels in order to be effective. Poor communication is one of the consequences of the poor organization structure, and it's one of the obstacles to maintain quality.
- 5- Job satisfaction; about 37.5% of the respondents are unsatisfied, this is mainly due several reasons such as duplications, poor motivation which a consequence of poor organization structure.

6- Matrix has in the same time the features of product division and functional structure, it is suitable for limited resources, it gives high levels of human motivation and empowerment, also matrix structure is responsive, flexible and efficient.

7- According to the size of MISK, its limited resources and the problems that it faces, and due to the above mentioned features of matrix structure the authors proposes the Matrix structure to be the MISK management structure.

7. References

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