

Washington University of Virginia
BUS 510E and 510EA ORGANIZATION THEORY

FINAL EXAMINATION
(Take-Home Examination)

Questions 1 (Information Technology): All the various computer-based systems have begun to merge into an overall IT system that add strategic value by enabling close coordination internally and externally. (a) Explain IT applications for increasing **internal** coordination and efficiency. (b) Explain IT applications for strengthening coordination with **external** parties. (c) Advanced IT is having a significant **impact on organization design**, and some experts suggest that it will eventually replace traditional hierarchy as a primary means of coordination and control. Explain. (20%)

Questions 2 (Decision-Making Processes): In decision-making processes, (a) Explain the Rational Approach to individual decision making. On the other hand, many organizational decisions involve several managers, while problem identification and problem solution involve many departments, multiple view-points, and other organizations, which are beyond the scope of an individual manager. There are four primary types of organizational decision models. (b) Explain the **management science model**, **Carnegie model**, and **incremental decision model**. (c) The **Garbage Can Model** deals with the pattern of multiple decisions. Compare this model with three other models above in (b). (20%)

Questions 3 (Conflict, Power, and Politics): Intergroup conflict requires three ingredients: group identification, observable group differences, and frustration. (a) Explain organizational characteristics generating conflict as sources of intergroup conflict. (b) When conflict is low, a manager can use the rational model of organization; when conflict is high, the political model describes the way organizations operate. Explain. (c) Managers consciously apply a variety of techniques to overcome conflict between departments or groups in the organization. Introduce tactics for enhancing collaboration. (20%)

Questions 4 (General Application of Organization Theory): Suppose that you are going to **start a new business with One Hundred Million** US Dollars (US\$100,000,000). How would you apply Organization Theories for your new business? You may consider following factors: (40%)

- (a) **What kind of business** (in which industry) are you going to choose and why?
- (b) Write your **strategic plan** for the chosen firm with your justification.
- (c) With what consideration, are you going to choose the **organizational structure**?
- (d) How would you apply the **human resource management** theory for this firm?
- (e) How would you **finance the money** needed for this business?
- (f) How would you manage the Supply-Chain for this new business?

Notes:

For Questions 1, 2, and 3, each sub-question requires one page of answers.
For Questions 4, NO page limit is given for each sub-question.

(End of the Exam Questions)