ST. MARY'S UNIVERSITY COLLEGE
BUSINESS FACULTY
DEPARTMENT OF MANAGEMENT

A STUDY ON ORGANIZATIONAL STRUCTURE OF ADDIS ABABA TRANSPORT OFFICE

BY
GETU HAILEMARIAM

JUNE 2011
SMUC
ADDIS ABABA

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A SENIOR ESSAY SUBMITTED
TO THE DEPARTMENT OF MANAGEMENT
BUSINESS FACULTY
ST. MARY'S UNIVERSITY COLLEGE

IN PARTAL FULFILLMENT OF THE
REQUIREMENTS FOR THE DEGREE OF
BACHELOR OF ARTS IN MANAGEMENT

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FACULTY OF_____

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Acknowledgement

First of all I would like to thank my family who supported me all the way with the endurance and courage they gave me. Second I am highly and with the bottom of my heart my advisor Ato Terefe Feyera for his going through each and every part of the study; devoting his previous time supporting me, as well as for his helpful criticism and advice until the completion of the study.

Finally I would like to extend my thanks to the members and heads of Road Traffic Safety main process and Public Transport main process.

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CHAPTER ONE

INTRODUCTION

1.1. Background of the Study

Organizational structure refers to the way that an organization arranges people and jobs so that its work can be performed and its goals can be met. When a work group is very small and face-to-face communication is frequent, formal structure may be unnecessary, but in a larger organization decisions have to be made about the delegation of various tasks. Thus, procedures are established that assign responsibilities for various functions. It is these decisions that determine the organizational structure.

In an organization of any size, employees' responsibilities typically are defined by what they do, whom they report to, and for managers, who reports to them. Over time these definitions are assigned to positions in the organization rather than to specific individuals. The relationships among these positions are illustrated graphically in an organization chart. To implement Transport Rule and Regulation, Addis Ababa Transport Office, Traffic Police and Addis Ababa Road Authority would be organize and make together .

There are multiple structural variations that organizations can take on, but there are a few basic principles that apply and a small number of common patterns. The following sections explain these patterns and provide the historical context from which some of them arose. The first section addresses organizational structure in the twentieth century. The second section provides additional details of traditional, vertically-arranged organizational structures. This is followed by descriptions of several alternate organizational structures including those arranged by product, function, and geographical or product markets. Next is a discussion of combination structures, or matrix organizations. The discussion concludes by addressing emerging and potential future organizational structures. (Reid, Christine D., 2007)

The Branch of Addis Ababa Transport Office is public service enterprise which is established as branch office of Federal Transport authority under the proclamation to provide for the regulation of transport number 468/2005 Article 26 and sub article 2 (NEGARIT GAZETA, 2005)

The vision of the organization is "to see truly, fast, reliable and reasonable price transportation distribute for all Addis Ababa people." Its mission is giving quality service we should having acceptance transportation, drivers and vehicles policies, created standards and policies with controlling and approvement implementation and also customer service becoming, fast, fulfilled, reduce cost and reliable.

The office organized the general manager, six main process and five zone Transport office managers together with four special teams which is directly accountable to the general mangers and the vertical arrangements are small scale and decentralization of the authority and decision making. The office has wide span of organizational structure.

The office issues and renews different categories of driving licenses, conducts vehicles registration and producers ownership certificate, register city transport vehicles owners association and control and regulates their dispatches. Issue permit for different categories of garages and parking operators, collects traffic enforcement penalty fees, register and regulates drivers training and vehicle inspection of privates, companies and firms. These are the main type of services that the authority delivers with its 605 employees which are almost permanently employed. The above diversified types of services indicate that the authority is one of the well known public service sector and with plenty of customers.

1.2. Statement of the Problem

The Branch of Addis Ababa Transport Office organized under Federal Transport Authority and the office performs transport rule and regulation on the city of Addis Ababa under hierarchy from Transport Authority.

As we know the city has many duties like coordination, implementation of transport rule and regulation, giving service to the customers, etc. But Federal Transport Authority focused on all the region of the Country's Transport Affair including Addis Ababa. So Addis Ababa Transport Office was not prepared transport facility to the city of Addis Ababa, those are buses, taxis, roads ,road signs, terminals etc. and also transportation movement was not saving from an accident, not found reliable transportation, coordination in the city of Addis Ababa, and no passengers complaints solving department , etc.

Therefore the purpose of this study is investigate the above problem and hopefully the paper would contribute giving solution for the problems.

Research Question

- What does the formation (design) of the structure of the Branch of Addis Ababa Transport Office look like?
- To what extent does the Branch Office, Addis Ababa Transport Office, decentralize authority?
- How does the company determine the span of management?
- To what extent does the departmental relation to the top level management to implement the organizational strategic plan?

1.3. Obj ective of the Study

General Objectives

The General Objective of the study is to investigate what the Organizational Structure of Federal Transport Authority look like.

Specific Objective

The specific objective of Branch of Addis Ababa Transport Office

1. To investigate what the organizational structure formation of the branch of Addis Ababa Transport Office look like.
2. To examine the extent to which authority is decentralized within the structure of Addis Ababa Transport Office
3. To examine how the span of management is determined by the management of Addis Ababa Transport Office.
4. To examine the extent to which departmental relation to top level management

1.4. Significance of the Study

The study gives awareness and brings attention for the manager to implement the organization strategic plan so that the managers must identify the structural problem in the organization and work towards its improvement. Thus, this study is believed to help the company. The finding of this study can also help as input for other interested researchers on this subject. Moreover, consulting this research would have its significance to the student researcher to gain practical skill of problem solving.

1.5. Delimitation of the Study

The Branch Office of Addis Ababa Transport Office has six main process and five zones but this study focuses on the City of Public Transport main process and Road Traffic Safety main process that is expansion of public transport facility at a reasonable price, the users found transport with a short time and save from an accident transport for the city of Addis Ababa.

1.6. Definition of the T erm

Zone: means sub division of the office that is serving for two sub city.

Main process: means the department that is used to make the main organizational duty

Transport: means it includes different kinds of vehicles, that is used for public and freight transport services.

Proclamation to provide for the regulation of transport number 468/2005 article 26 and sub article 2 (NEGARIT GAZETA 2005)

1.7. Research Design and Methodology

1.7.1. Research Design

This study was designed in such a way that descriptive method be used because it helps in investigating the situation and describing a social situation, events system and structure in the organization.

1.7.2. Population and Sampling Technique

The study considers the Main Process of City Public Transport Unit and Road Traffic Safety Unit. Those units are found in the main branch office. The first unit has 1 unit head, 3 team leaders, 70 employees, and the second unit has 1 unit head, 10 employees. As a subject of study all unit heads, team leaders and employees are considered because the total population size within these two units is 85 that the student researcher can comfortably manage.

1.7.3. Types of Data to be Collected

The data collected in corporate both primary and secondary data. The primary data were gathered from unit heads, team leaders and operating employees. The secondary data were obtained from books, company reports etc.

1.7.4. Methods of Data Collection

The instrument of data collection are questionnaire, interview guide and observation checklist. The questionnaire shall be classified as open end questionnaire that gives freedom to the respondents and close ended questionnaire to Unit heads, Team leaders and Employees that is easy to respond tabulate and analyze. Interviewee was administered in unstructured method to get more information.

1.7.5. Method of Data Analysis

The information obtained from the employees using the questionnaire was analyzed quantitatively by percentage. The information obtained from the unit heads, team leaders were analyzed qualitative through narration of the data.

1.8. Organization of the Study

The study is organized under four chapters. The first chapter is introduction which in turn involves background of the study, statement of the problem, research questions, and objectives of the study, significance of the study, delimitation of the study, definition of terms, research design and methodology, limitation of the study and organization of the paper.

The second chapter deals with review of related literature. The third chapter shall have presentation, analysis and interpretation of data. Finally the forth chapter consists of summary, conclusion and recommendations.

CHAPTER TWO
REVIEW OF RELATED LITERATURE

2.1. Organizational Structure and Design

The division of labor and coordination of work represent the fundamental requirements of organization. These requirements relate to four basic elements of organizational structure. Those are span of control, centralization, formalization and departmentalization. There is something of a revolution occurring in how organizations are structured. Driven by global competition and facilitated by information technology, flight centre and many other companies are throwing out the old organizational charts and trying out new designs that they hope will achieve organizational objectives more effectively. Organizational structure refers to the division of labor as well as the patterns of coordination, communication, work flow, and formal power that direct organizational activities. An organizational structure reflects its culture and power relationships. Our knowledge of this subject provides the tools to engage in organizational design that is to create and modify organizational structures. Organizational structures are frequently used as tools for change. Structures support or inhibit communication and relationships across the organization. They also serve as mechanisms that either support change or make change initiatives more difficult. Structures establish new communication patterns and align employee behavior with corporate vision. They establish new communication patterns and refreeze the change initiatives. We begin this chapter by considering the two fundamental process in organizational structure: division of labour and coordination. This followed by a detailed investigation of four main elements of organizational structure: span of control, centralization, formalization and departmentalization. (Mc Shane, Steven L 2004:560)

New Design Options

Over the last decade or two, senior managers in a number of organizations have been working to develop new structure options that can better help their firms complete effectively. In this section we will describe three such structural designs, the team structure, the virtual organization, and boundaryless organization. The teams is important to organize work activities. When management uses teams as central coordination device, you have a team structure are that it break down departmental barriers and decentralizes decision making to the level of the work team. Team structures also requires employees to be generalists as well as specialists. (Robbin, Stephen P. 2001:425) and Mc Shane, Steven L, 2004:560 recommended organizational structure refer to the division of labor as well as the patterns of coordination, communication, work flow and formal power that direct organizational activities. Organizational structures are frequently

used as tools for change. Structures support or inhibit communication and relationships across the organization and Robbin, Stephen P. 2001:425 recommended over the last decades two senior managers of organizations have been working to develop new structural options. In this section they will describe three structural designs, the teams structure, the virtual organization, and Boundary less organization. A team structure are that break down departmental barrier and decentralizes decision making. Team structures also employees to be specialists.

2.2. Structure

An organization is a structure which is used to arm people with specific relations and authority. Within the structure, people work to achieve the desired objectives. It is the skeleton around which an organization is built. Structure has a formal character. It is an arrangement for relationships, power, roles, functions and objectives. The structure is well-defined and formulated for grouping tasks, jobs, delegating authority, allocating responsibility and accountability, along with the number of persons involved in the managerial hierarchy and at the shop-floor level. The organizational structure helps management tasks to be done easily and smoothly through the identification of different tasks, grouping together of similar activities and assigning tasks to individuals. The allocation, supervision and functions are essentially designed under organizational structure. The formal relationship among persons working at different levels, well defined authority and responsibility and individual actions and interactions are the bases of the structure of an organization. The structure concentrates on the division of work, specialization, departmental delegation, formal relations, authority and responsibility, coordination of work, job design, grouping of jobs and work allocation. (Mishra, MN, 2003:2)

2.2.1. Process

An organization is an operation within the structure. It is just like a body structure where the functions of each organ of the body are defined and specifically performed. An organization like the human body is an ongoing process of structure. It is a process of managerial function. It aims at organizing work, arranging people and systems, developing technology, designing communication and providing an organizational climate. The organization is concerned with the organizing process, including the decision of the course of action, division of various activities, assignment of tasks to proper persons, delegation of authority and responsibility, coordination of the various tasks and the decisions of the management, It is a means to an end and is a dynamic and adaptive process to coordinate a suitable process of management functions with the

changing environment. The organizational process includes breaking up the entire work into different segments, assigning a definite role to each person, and coordinating and integrating the different functions to achieve the corporate objective with minimum effort and resources. Many authors have therefore defined organization as "a process of division of labour and function, coordination through authority and responsibility and putting people at place to work." (Mishra, MN, 2003: 3)

2.2.2. Processes

Hersey Paul 2001 recommended to build peak performan mg team, work rules and work processes have to be established, and team must agree with them. How should decision be communicated? Who should report to whom and how should information be communicated? How should disagreements or conflicts be handled? All sorts of routines and work processes must be discoursed. To reach goals and enable the team to peak perform, the tem leader should help create what anthropologists call a " productive work scope" The culture and set of inter connecting and mostly unwritten rules that organize behavior define a work scope.

2.2.3. Relationship

The organization set up certain forms of relationship to enable workers to perform their jobs harmoniously. Relationships are defined and designed as per the needs of the organization. Functional relations are developed to perform the activities of the organization. An established relationship is useful for training and development of human resources. The organizational relationship is established on the basis of process, geography, department and product. The relationship is developed in such a way that there is a scope of adaptability to the changing environment to avoid complacence, stagnation and inefficiency.

An organization is a group wherein people work. Therefore, person-to-person relationships need to be defined clearly. Superior-subordinate relations, the superior-superior relations and subordinate-subordinate relations are established for the smooth functioning of organizational activities. The group interaction model has direct impact on the motivation and productivity. The organizational structure presents the different types of relationships as unified whole for achieving the common goal of the organization. Hierarchical relationships bind persons operating at different levels of the organization for achieving the common goals of the organization. (Mishra, MN, 2003:3)

2.2.4. Authority and Responsibility

The structural relationship becomes effective with the allocation of authority and responsibility. Each cadre is specifically assigned the authority and responsibility for the tasks he has to perform. Members of the cadre must know the rights and powers to be exercised to perform their duties. The authority and responsibility is ultimately vested with the top management. Since the Chief Executive cannot perform all the jobs, he has to delegate some of his authorities and responsibilities to the lower cadre. He has to decide what part of his work will be entrusted to his subordinates and what part of the job will be retained by himself. Organizational structure has well-defined authority and responsibility, explicit or implicit. Organizational rand and cadres are developed to delegate authority and responsibility, based on seniority, title, status and so on, to provide adequate administrative leverage. This is done to ensure clear delineation of authority and responsibility. In the absence of clear delineation, internal conflicts will develop. Moreover, there should be enough scope for human relationships while delegating authority and responsibility. The organizational authority and responsibility have been exercised in different forms from the 'herd' concept to the 'group' concept from time to time. The herd concept placed exclusive power with the leader and enforced unquestioning obedience on the subordinates. Organizational evolution took the shape of the person-to-person concept thereafter, where the subordinate performs his functions in terms of a direct relationship with his superior. It involves delegation of authority and responsibility from superior to subordinate. The modern concept of organization believes in the development of mutual and harmonial relationships between subordinates and subordinates/and superior. (Mishra, MN, 2003:4)

2.2.5. The Integrating Responsibility

The center of this transformation network, we show managers and leaders. Traditionally, they are the ones responsible for planning, organizing, controlling and directing the other elements in the rational view of management. They are responsible for ensuring that appropriate inputs are received and processed through the information system in timely ways. (Cook C. and Phillip, 2002:22)

2.2.6. Performance

The organization, by its performance, tries to achieve synergic results, which infers that the whole organization is greater than the sum of its parts. The organizational structure and process are designed to achieve the goals and objectives through effective performance which is possible with human resource development. Organizational development programmes maximize work motivations and creativity. Job enrichment, job enlargement and job satisfaction also come under organizational performance. Specialization in particular is the core of an organization. It helps in the effective performance of the job. Discipline, unit of command, giving direction, scalar chain decentralization and coordination need to be properly exercised to achieve good job performance in an organization. (Mishra, MN 2003:5)

2.2.7. Organizational Performance

We need to remind ourselves through a strategic model that organizational performance is the product of many factors, this model identifies several of the most important factors including organizational structure knowledge, non human resources, strategic positioning and human process. (Hersey, Paul 2001)

2.2.8. Behavior of Group

An organization is a composition of people. The success of an organization depends upon the behavior of the people and the group. Individual groups and structures are the bases of group behavior. Relationships on a person-to-person level and subordinate-to-subordinate as well as with the superior are established in a group. Formal and informal organization helps in developing proper behavior of a group. Group behavior has given birth to team work which has been accepted as the most effective form of organization. Team spirit, team performance, team rewards and team motivation have achieved new dimensions in big organizations in the beginning of the twenty-first century. The concept of family has been implanted into organizations. Groups in an organization have more effective behavior. They can achieve something more together than what they can achieve individually. (Mishra, M.N, 2003:2-5)

Structure, Size, Technology, Environment and Organization Design
We have defined organizations as purposeful systems with several subsystems where people work together in coordinated manner to achieve the goals of the institution. To achieve synergy there should be division of labor as well as coordination of activities and efforts. These are achieved by structuring the system and subsystem of the
institution in the manner of configuration of the job holders, positions, their duties or roles, the lines of authority in the system and such. The organization chart depicts the formal structure of the organization and portrays the patters of vertical and horizontal

specialization and relationships among members. Vertical specialization portrays the hierarchical layers through which formal authority flows and where decision making authority is vested, Horizonal specialization denotes the division of work among departments. (Sekaran, 2004:254)

Mishra, M.N 2003 recommended structure the arrangement of relationships, power, roles, functions and objectives and the organizational structure helps management tasks to be done easily and smoothly through the identification of different tasks, grouping together of similar activities and assigning tasks to individuals and it is a process of managerial function, the organization set up certain forms relationships to enable workers to perform their jobs harmoniously, the structural relationship becomes effective with allocation of authority and responsibility, and they perform and to achieve synergic results. The success of the organization depends upon the behavior of the people and group. The structure has process, Relationship, Authority and responsibility, performance and behavior of group.

Professor Sekaran Uma recommended people work together to achieve the goals. These should be division of labor as well as coordination of activities and efforts. These are achieved by structuring the system and subsystem of the institution.

2.2.9. Factors Influencing Choice of Organization Structure

There is no one correct model with universal applicability. Organizations must introduce the structure that is most relevant to achieving corporate goals and to the prevailing circumstances. Furthermore, they must be prepared to change these structures as circumstances change. Some indicators that should assist in making this choice are provided below:

A. Stability of the environment: The environment relevant to the organization should be analyzed in terms of factors such as markets, clients, economic and financial circumstances, technology, legal constraints, power and politics. Stability in the environment indicates a stable, formalized organization structure; change in the environment indicates a more flexible, decentralized form of structure. Today most organizations are facing change and require flexible structures.

B. Size: In the past sheer size has frequently led to centralization and bureaucracy. Because bureaucracy mitigates against successful change many organizations now aim to decentralize into smaller, accountable operating units and divisions.

C. Culture: Cultures are difficult to change, although change may be essential. Prevailing culture (i.e. norms and values attached to work) and the practical problems of changing it must be taken into account when planning change to structures. Drastic change to structures requires new cultures.

D. Internal labor market: the complexity and nature of work and the levels of education and professionalism of the workforce are important. A highly qualified professional workforce can, by and large, be left to get on with things; indeed full professionals expect a high degree of autonomy, and prefer to work within a looser organization structure. However, clear objectives and good leadership are still necessary.

E. Technology of operations: Technology is changing fast, and a case in point is information technology, which can facilitate decision making. An example of this is electronic point of sale (EPOS) in stores and supermarkets. Information on precisely what is being purchased is immediately transmitted to warehouses and head office, permitting centralization of purchasing decisions.

F. Power: The five factors listed above are rational factors. Power is not a rational factor, but is so important that it must be mentioned. Internal power and politics, with individuals or groups attempting to gain or maintain control of an organization, mean that structures are designed which reinforce the position of the most powerful group or groups. However, should this conflict too much with the rational needs of the organization to survive and change in a dynamic environment, the power elite may lose their jobs. (Cowling, A. and Phillip 1994:9-10)

Cowling, A. and Phillip (1994:9-10) factors influencing choice of organization structure are stability of the environment, organizational size, culture, internal labour market, technology of operations, and power.

2.3. Types of Organization

The various types of organizational structure and processes depend on the social setup of the country and the objectives of the business. Various jobs of the enterprise are integrated into an effective operational system. It defines the duties and responsibilities of people in each cadre. The functional and divisionalised types of company organization are generally prevalent in a company organization. Line, line and staff, staff and committee type of organization are well known in public administration and military

organization. Business organization maintains some flexibilities so that the upward and downward movements may be possible at the time of development and decline of the business. This type of organization facilitates decentralization and choice of product and geographical locations. The types of organization are line, line and staff, staff functional project and committee organizations.

2.3.1. Line and Staff Organization

A line and staff organization is a mixture of the line as well as staff organization. Line organization points out direct vertical relationships, i.e superior-subordinate relationship connecting the positions at teach level. It forms a chain of command or hierarchy of authority on scalar principles. A line relationship is simply known as a relationship of authority between the superior and subordinates in a hierarchical arrangement. The direct line superior has control over his immediate subordinates. In this case, authority flows downward and accountability goes upward in a straight line. The work also flows in a direct line. The line offices are responsible for accomplishing basic objectives, so that they can issue orders and implement plans and policies with the help of their subordinates. They are authorized to maintain discipline. The line organization maintains direct communication from the higher to lower levels and vice versa. If it is useful for maintaining discipline, it inhibits flexibility and specialization. It becomes autocratic and dictatorial. It is not used in business organizations. Staff organization is a specialized organization. It is purely advisory, having no authority of functions. It helps the line organization in the effective and efficient performance of business. Staff organization provides authority of investigation, research and advice to persons at the command of the functions. It provides technical or special advice to line organization in the form of personal assistants, personal secretaries, etc. There may be staff organization pertaining to law, accounting, research and development, quality control, etc. (Mishra M.N 2003:5-9)

2.3.2. Significance of Organization

An organization is essential for the continuity of the mission and objective for which it is formed. The organizational structure and process guides, coordinates and controls business activities. The organization if structured on sound principles will help achieve management objectives. Erroneously designed and makeshift organizations make management functions difficult and inefficient. Organized man is a source of creativity, synergy and coordinated activity. An organization helps its management to perform its activities effectively, in the optimum use of technological improvement, growth and

diversification, creativity, effective use of physical resources and development of human resources.

a) Management function: Management functions, viz. planning, organizing, activating and controlling, are performed effectively and efficiently. Sound organization helps perform all the activities smoothly, inadequate organization may discourage managerial activities, coordination and control. Therefore, there is a need to develop a sound organization for effective administration with certainty and continuity. Different activities are clearly divided and defined for performance, and most suitable persons are appointed to manage the respective activities. Research and development, production, transportation, marketing and finance, etc. are the distinctive functions of management which are performed separately with coordinated efforts. Sound organization helps proper delegation of authority and responsibility. Division of work helps employees in performing their activities easily and satisfactorily.

b) Optimum use of Technological Improvement: Organization helps in the optimum use of technology, since it is flexible and structured to accommodate improvement, extensions and so on. Automatic controls and data processing becomes feasible under a sound organization. The scope for decentralization makes it possible to incorporate several technological developments and increase in efficiency. A centralized management group takes decisions immediately to augment effectiveness and economy because it uses new methods, new knowledge and new materials. Automation and the wide spread use of computers are important facets of the technological factor. Organization solves the corporate's problems by creative and intelligent application of technology.

c) Growth and diversification: Organization is the base on which the company grows and diversifies its activities. The organizational structure is developed in such a way that expansion and diversification are feasible without wastage. The organization while facilitating day-to-day functions and effective management of all the activities anticipates the need for change and helps the growth of the corporate body, the branch offices, divisional offices and regional subheads. Offices have immense scope for incorporating growth and diversification of activities. Departmentalization has further increased the scope of inclusion of management activities, meeting of local demands and helps in exploiting the existing resources. Divisionalisation

develops an inter-competitive zeal for excellence. The Life Insurance Corporation has successfully used the organizational setup for increasing its business and providing expansion of the functions. Many private organizations have developed on the lines of expansion and growth.

2.3.3. Modern Approach

The disadvantages of the classical approach were modified under the neo-classical approach. However, the neo-classical approach could not take a final shape because of the diverse problems of individuals, groups and social units. Therefore, the modern approach was developed wherein the process is to be performed under a set structure and system. Within the structure or system, the individual acts, reacts and interacts as per the change in individuals, groups and society. The environmental and technological changes are well evaluated and the management functions are adapted accordingly. It believes in change and organization adaptability to increase the efficiency of the organization. An organization should not be rigid, ruthless and dominated by rules, but should be adaptive, open and creative. The role of the leader is very important in the organization because he needs to monitor the functioning with changing situations and environment. The system formulates sub-systems which will work with certain inter and intra-relationships. This environment-oriented approach is also known as the contingency approach wherein situational and transactional solutions are the deciding factors of organization. It requires the appropriate organizational structure and an effective leadership style. (Mishra, M.N, 2003:5-19)

2.4. Span of Control

Henri Fayol strongly recommended the formal hierarchy as a primary coordinating mechanism consequently, he and other theorists at the time prescribed a relatively narrow span of control, typically no more than 20 employees per supervisor and 6 supervisors per manager. These prescriptions were based on the assumption that managers simply can not monitor and control any more subordinates closely enough.

Today we know better. The best performing manufacturing facilities currently have an average 31 employees per supervisor. This is a much wider span of control than past scholars had recommended. Yet these operations plan to stretch this span to an average of 75 employees per supervisor over the next few years. Span of control refers to the number of people directly reporting to the next level in the hierarchy. Henri Fayol strongly recommended the formal hierarchy as the primary coordinating mechanism.

Consequently, he and other theorists at the time prescribed a relatively narrow span of control, typically no more than 20 employees per supervisor and 6 supervisors per manager. These prescriptions were based on the assumption that managers simply cannot monitor and control and more subordinates closely enough. (Mc Shane, Steven L, 2004: 431)

Choosing the Span

In every organization, It must be decided how many subordinates a superior can manage, students of management have found that this number is usually four to eight subordinates at the upper level of organization and eight to fifteen or more at lower levels. For example the prominent British Consultant Lyndall Urwick found the ideal number of subordinates for all superior authority.... To be found "while" at lowest level of organization, where what is delegated in responsibility for the performance of specific tasks and not the supervision of others, the number may be eight to twelve others find that a manager may be able to manage as many as twenty to thirty subordinates in actual experience, one finds a wide variety of practices even among admittedly well managed enterprises. (Koontz, Harold 1986:166)

Mc. Shane, Steven L (2004:431-434) recommended there is two span of control that is narrow span of control and wide span of control. Narrow span of control no more 20 employees per supervisor and 6 supervisors per manager. Wide span of control the best performing manufacturing facilities currently have an average 31 employees per supervisor. These operation plan to stretch this span to an average of 75 employees per supervisor. It is very difficult to directly supervise 75 people. It is much easier to over see 75 subordinates who are grouped or self directed in to several self directed work teams. Koontz Harold, 1986:166 recommended that 4 to 8 subordinate at the upper level and 8 to 15 or more at lower levels.

2.5. Centralization and Decentralization

Centralization and decentralization represent a second element of organizational design. Centralization means that formal decision making authority is held by a small group of people, typically those at the top of the organizational hierarchy, most organization begin with centralized structures, because the founder makes most of the decisions and to direct the business to ward his or her vision. But as organizations grow, they diversity and their environments become more complex. Senior executives aren't able to process all the decisions that significantly influence the business. Consequently, larger organizations end to decentralize, that is, they disperse decision Authority and power throughout the organization. Although larger firms tend to decentralize, this is not necessarily true of every part of the organization. Nestle's marketing department is decentralized, yet some

parts of the giant Swiss food company are centralized. "If you are too decentralized, you can become too complicated-you get too much complexity in your production system," explains Nestle CEO Peter Brabeck. Nestle centralizes it production, logistics, and supply chain management to leverage the economies of scale of a large organization. Also, firms tend to rapidly centralize during times of turbulence and organizational crisis. When the problems are over, leasers tend to decentralize decision making slowly, if at all. (Mc Shane, Steven L, 2004:433-434)

Decentralization: Decision-making is delegated as far down the organization as possible. This enables decisions to be made by those with relevant technical expertise, who are closer to customers. One version of decentralization in the private sector is the creation of strategic business units (SBUs) that are smaller than divisions. The possible advantages of decentralization are that decisions are made at the point of operation and delivery; and the possible disadvantages are that the centre may lose control and there may occur a degree of anarchy. (Cowling, A. and Phillip, 1994:8-9)

2.6. Formalization

Formalization is the degree to which organizations standardize behaviour through rule, procedures, formal training and related mechanisms. In other words formalization represents the establishment of standardization as a coordinating mechanism. (Mc Shane Steven L. 2004:434)

2.7. Departmentalization

Departmentalization specifies how employees and their activities are grouped together. It is a fundamental strategy for coordinating organizational activity because it influences organizational behavior in the following ways.

Departmentalization establishes the "chain of command," that is, the system of common supervision among positions and units within the organization. It establishes formal work teams. Departmentalization typically determines which positions and units must share resources. Thus, it establishes interdependencies among employees and subunits. Departmentalization usually creates common measures of performance. Members of the same work team, for example, share common goals and budgets, giving the company standards against which to compare subunit performance. Departmentalization encourages coordination through informal communication among people and subunits. With common supervision and resources, members within each configuration typically work near each other so they can use frequent and informal interaction to get the work done.

There are almost as many organizational charts as there are business, but we can identify five pure types of departmentalization: simple, functional, divisional, matrix, and team-based. Few companies fit exactly into any of these categories, but they are a useful framework for discussing more complex hybrid forms of departmentalization. (Mc Shane, Steven L. 2004: 436)

Once you've divided jobs up through work specialization, you need to group these jobs together so common tasks can be coordinated. The basis by which jobs are grouped together is called departmentalization.

One of the most popular ways to group activities is by functions performed. A manufacturing manager might organize his or her plant by separating engineering, accounting, manufacturing, personnel, and purchasing specialists into common departments. Of course, departmentalization by function can be used in all types of organizations. Only the functions change to reflect the organization's objectives and activities. A hospital might have departments devoted to research, patient care, accounting, and so forth. A professional football franchise might have departments entitled player personnel, ticket sales, and travel and accommodations. The major advantage to this type of grouping is obtaining efficiencies from putting like specialists together. Functional departmentalization seeks to achieve economies of scale by placing people with common skills and orientations into common units.

Tasks can also be departmentalized by the type of product the organization produces. Procter & Gamble, for instance, recently reorganized along these lines. Each major product-such as Tide, Pampers Charmin, and Pringles-will be placed under the authority of an executive who will have complete global responsibility for that product. The major advantage to this type of grouping is increased accountability for product performance, since all activities related to a specific product are under the direction of a single manager. If an organization's activities are service rather than product related, each service would be autonomously grouped. For instance, an accounting firm could have departments for tax, management consulting, auditing, and the like. Each would offer a common array of services under the direction of a product or service manger. Another way to departmentalize is on the basis of geography or territory. The sales function for instance, may have western, southern, Midwestern, and eastern regions. Each of the regions is, in effect, a department organized around geography. If an organization's customers are scattered over a large geographic area and have similar needs based on their location, then this form or departmentalization can be valuable.(Stephen Robbins,

2001: 415-416) and Robbins (2001: 415-416) recommended that the jobs are grouped together so common tasks can be coordinated, Like Engineering, accounting, manufacturing, personnel, and purchasing specialists into common departments.

CHAPTER THREE

PRESENTATION, ANALYSIS AND INTERPRETATION OF DATA

The study of the organization was concentrated on data collection so 86 questionnaires were prepared and distributed to main process. 73 questionnaires were distributed for the first main process of which 60 were returned resulting in the rate of return of 82%. For the second main process 13 questionnaires were distributed and 10 were returned resulting in the rate of return of 77%. Therefore, the researcher believe that this level is adequate enough to provide logical analysis and interpretation.

Table 1 General Characteristics of the Respondents

S.N.	Item	Respondents	
		In number	In %
1	Sex		
	a. male	54	62.82
	b. female	16	37.18
	Total	70	100.00
2	Educational background		
	a. below grade 12	12	17.00
	b. Certificate	2	3.00
	c. Diploma	44	63.00
	d. First degree	10	14.00
	e. Second degree & above	2	3.75
	Total	70	100
3	Work Experience		
	a. below 5 years	31	44.29
	b. between 5-10 years	24	34.29
	c. between 11-16 years	7	10
	d. between 17-22 years	5	7.14
	e. 23 & above years	3	4.29
	Total	70	100
4	Age		
	a. 18-24 years	15	21.42
	b. 25-31 years	35	50
	c. between 32-38 years	15	21.42
	d. between 39-45	4	5.71
	e. 46 years & above	1	1.42
	Total	70	100

Item 1 of Table 1 indicates that 54(62.82%) and 16(37.18%) of the responders were male and female respectively.

Table 1 item 1 indicates the duties were made by male and female, and it shows the participation of the duties were both sexes.

Item 2 of Table 1 indicates the educational back of the employees. It has been found out that 44(61.25%) of the employees were diploma holders, 10(15%) of the employees were first degree holders, 2(3.75%) were second degree holders, 2(3%) of employees have certificate and 12(17%) below grade 12

Therefore, many workers' educational back ground was above diploma. So, the capacity of the employees were appropriate.

Table 1 item 3 indicates the employees work experience. To this end, 31(44.29%) of the employees had below 5 years experience, 24(34.29%) of employees had between 5 to 10 years experience, 7(10%) of employees had between 11 to 16 years experience, 5(7.14%) of employees had 17 to 22 years of experience and the remaining 3 (4.29%) employees had 23 and above experience. Therefore most of the employees have few years experience so they need coaching and support from team leaders.

Table 1 item 4 indicates the age of employees to which 35(50%) of them were found to be between 25 to 31 year, 15(21.42%) employees were between 18 to 24 years, 15(21.42%) employees were between 32 to 28 years experience, 4(5.71%) of employees were between 39 to 45 years, and 1(1.42%) of employees were 46 years and above. Therefore the majority of the employees were young, so it helps for the departments duties were done actively in the field.

Table 2 The need of support and comfort ability in organizational structure

S. No.	Items	Responcents	
		Numbers	In %
1	When you perform your duties to what extent you need support from another organization?		
	a. very high	4	5.71
	b. high	21	30.00
	c. medium	20	28.57
	d. low	15	21.43
	e. very low	10	14.29
	Total	70	100
2	Where do you rate the support you get from supportive institutions like Traffic Police and Addis Ababa Road Authority?		
	a. very strong	17	24.29
	b. strong	13	18.57
	c. moderately	29	41.43
	d. low	09	12.86
	e. very low	2	2.86
	Total	70	100
3	To what extent does the organizational structure is suitable for monitoring and controlling the external institution?		
	a. very high	5	7.14
	b. high	12	17.14
	c. moderate	27	38.57
	d. low	15	21.43
	e. very low	11	15.71
	Total	70	100
4	What is the level of your satisfaction to the performance of the organization?		
	a. very high	12	17.14
	b. high	21	30
	c. medium	19	27.14
	d. low	9	12.86
	e. very low	9	12.86
	Total	70	100
5	There is a job qualification match in almost all the division of your office?		
	a. strongly agree	8	11.43
	b. agree	19	27.14
	c. neither agree nor disagree	17	24.29
	d. disagree	24	34.29
	e. strongly disagree	2	2.86
	Total	70	100

Table 2 item 1 indicates the extent of the demand for inter organizational support. It has been found out that 21(30%) and 4(5.71%) rated as high and very high

respectively. To the contrary 15(21.43%) low, the remaining 10(14.29%) very low. Therefore, the organization needs support from other institutions.

Table 2, item 2 indicated that the employees response about rate of supportive institutions. 29 (41.43%) moderate, 17(24.29%) as very strong 13(18.57%) as strong, 9(12.86%) as low and 2(2.86%) as very low. Therefore, the supportive institutions were giving a few support to the office, but it is not enough it needs improvement and the institutions must have been shared responsibility and accountability for the duties.

Table 2 item 3 indicates to what extent the organizational structure is suitable for monitoring and controlling the external institution. So, 27(38.57%) employees respond the current organizational structure is suitable moderately, 15(21.43%) rated as low, 12(17.14%) as high, 11(15.71%) as very low and the remaining 5(7.14%) as very high. The organizational structure was not comfortable for controlling and monitoring to external institutions.

Table 2 item 4 indicates to what extent the employees satisfaction 19(27.14%) respondents response the level of satisfaction is medium, 21(30%) rated as high, 12(17.14%) rated as very high, 9(12.86%) rated as low and 9(12.86%) rated as very low. Therefore, the organizational improvement was seen on routine duties but not in main duties, so it needs improvement.

Table 2 item 5 indicates job qualification match in the division of the office the employees respond 24(34.29%) disagree, 19(27.14%) agree, 17(24.29%) neither agree nor disagree, 8(11.43%) strongly agree and 2(2.86%) respond strongly disagree. The rate of matching qualified employees in the duties was low but their capacity had been shown improvement from time to time.

Table 3 The cooperation and comfort ability of the organizational structure

S.No.	Items	Responcents	
		Numbers	In %
1	To what extent does the organization involve the stake holders participation to implement the organization goal?		
	a. very high	7	10
	b. high	15	21.43
	c. medium	29	41.43
	d. low	15	21.43
	e. very low	4	5.71
	Total	70	100
2	To what extent you feel comfortable with the organizational structure of the company in terms of workflow?		
	a. very high	4	5.71
	b. high	14	20
	c. medium	38	54.29
	d. low	14	20
	e. very low	0	0
	Total	70	100
3	Where do you the rate of cooperation between Addis Ababa Transport office and city Administration to implement the transport rule and regulation?		
	a. very good	12	17.14
	b. good	16	22.86
	c. medium	26	37.14
	d. weak	14	20
	e. very weak	2	2.86
	Total	70	100

Table 3 item 1 shows the participation of the stakeholders in the organization, 29(41.43%) employees respond medium, 15(21.43%) employees high, 15(21.43%) low, 7(10%) very high and the remaining 4(5.71%) respond very low. Therefore, the participation of the stake holders in the organization was poor. So, it needs improvement to succeed the organizational objectives.

Table 3 item 2 indicates comfortably of organizational structure in terms of work flow. The employees responded as follows: 38(54.29%) as medium; 14(20%) as high; 14(20%) as low; and 4(5.71%) as very high. Accordingly it is possible to say that the comfortably of the organizational structure was low it need improvement.

Table 3 item 3 indicates the cooperation between Addis Ababa Transport Office and City Administration to implement the transport rule and regulation.

So, the employees respond 26(37.14%) medium, 16(22.86%) good, 14(20%) weak, 12(17.14%) very good and 2(2.86%) very weak. So the rate of cooperation between the Addis Ababa Transport Office and Addis Ababa Administration was not good. So, it needs strong relationship.

Table 4. The Traffic Jam Transport fleet

No.	Items	Respondents	
		In Number	In %
1	How do you rate level of traffic jam in the city?		
	a. Very high	36	51.43
	b. High	17	24.29
	c. Medium	7	10
	d. Low	8	11.43
	e. Very low	2	2.86
	Total	70	100
2	The organizational transport coordination is comfortable for the people of Addis Ababa?		
	a. Strongly agree	3	4.29
	b. Agree	8	11.43
	c. Neither agree nor disagree	21	30
	d. Disagree	21	30
	e. Strongly disagree	17	24.29
	Total	70	100

Table 4 item 1 indicates the traffic jam in the city of Addis Ababa and the employees respond 36(51.83) very high, 17(24.29%) high, 8(11.43%) low, 7(10%) respond medium and 2(2.86%) very low. Therefore the Traffic Jam in city of Addis Ababa was very high and it needs improvement because it was one of the organizational main duties.

Table 4 item 2 indicates the comfortably of the organizational transport fleet for the people of Addis Ababa. The employees respond 21(30%) neither agree nor disagree, 21(30%) disagree, 17(24.29%) strongly disagree 8(11.43%) agree and 3(4.29%) strongly agree. So, the organizational transport fleet was not comfortable to the citizen of Addis Ababa and it needs improvement.

Table 5: The organizational labor market need, culture of the workers and stability of the organization.

No	Items	Respondent	
		In number	In %

1	What is the stability of the organization to implement organizational strategic plan?
	    a. Very stable
	    b. Stable
	    c. Neither stable nor instable
	    d. Instable
	    e. Strongly instable
		0
		15
		35
		
		18
		2
			0
			21.43
			50
			
			25.71
			2.86

	Total	70	100

2	How the organizational culture of the workers to improve the organizational service?
	    a. Very strong
	    b. Strong
	    c. Moderate
	    d. Weak
	    e. Very weak
		8
		28
		24
		10
		0
			11.43
			40
			34.29
			14.29

	Total	70	100

3	How the need of internal labor market in the organization?
	    a. Very high
	    b. High
	    c. Medium
	    d. Low
	    e. Very low
		9
		28
		20
		7
		6
			12.86
			40
			28.57
			10
			8.57

	Total	70	100

Table 5 item 1 indicates the stability of the organization to implement the organizational strategic plan. Then the employees respond 35(50%) neither stable nor instable 18(25.71%) instable, 15(21.43%) stable and the remaining 2(2.86%) respond strongly instable. So, the organization was instable because the duties were not arranged appropriately.

Table 5 item 2 indicates the organizational culture of the workers to improve the organizational service. The employees respond 28(40%) Strong, 24(34.29%) moderate, 10(14.29%) weak and 8(11.43%) very weak. So the employees were try to improve and satisfy the customers then they need support.

Table 5 item 3 indicate the need of internal labour market in the organization, then 28(40%) the employees respond high, 20(28.57%) medium 9(12.86%) very high, 7(10%) low and 6(8.57%) respond very low. Therefore the organization labor market was high.

Table 6 The performance of human power and technology supporting

No	Items	Respondents	
		In number	In %
1	How about the human power to perform the organizational strategic plan?		
	a. Very strong	7	10
	b. Strong	32	45.71
	c. Moderate	20	28.57
	d. Weak	9	12.86
	e. Very weak	2	2.86
	Total	70	100
2	To what extent the organization operational service is supported by technology?		
	a. Very high	2	2.86
	b. High	18	25.71
	c. Medium	32	45.71
	d. Low	14	20
	e. Very low	4	5.71
	Total	70	100
3	Where you rate capacity of your colleagues to make their work in the organization?		
	a. Very high	26	37.14
	b. High	18	25.71
	c. Medium	20	28.57
	d. Low	6	8.57
	e. Very low	0	0
	Total	70	100
4	Where do you rate the capacity of the team leaders in guiding the workers to do the jobs they are assigned for?		
	a. Very high	3	4.29
	b. High	13	18.57
	c. Medium	17	24.29
	d. Low	16	22.86
	e. Very low	21	30.00
	Total	70	100

Table 6 item1 indicates the performance of human power in the organization then 32(45.71%) of employees respond strong, 20(28.57%) moderate, 9(12.86%) weak, 7(10%) very strong and the remaining 2(2.86%) respond very weak. Therefore, the employees were strong. So the organization facilitates the resources.

Table 6 item 2 shown the organization operational support by technology 32(45.71%) employees respond medium, 18(25.71%) high, 14(20%) low, 4(5.71%) very low and the

rest 2(2.86%) respond very high. So the operational support by technology was medium, it needs improvement to reduce the organizational risk.

Table 6 item 3 shown the employees respond about the capacity of workers in the organization 26(37.14%) very high, 20(28.57%) medium, 18(25.71%) high and 6(8.57%) respond low. Therefore, the capacity of the employees were high but the managers could not exploit the employees knowledge prepared the necessary facilities, so, it needs improvement.

Table 6, item 4 shows the capacity of team leaders. The employees responded as follows: 21(30%) as very low, 17(24.29%) as medium, 16(22.86%) as low, 13(18.57%) high, and the rest of 3(4.29%) respond very low. The capacity of the team leaders were medium because the organizational structure assigned them without qualification.

Table 7 the organizational Geographic position and the nature of task limit the number of employees

No	Items	Respondents	
		In number	In %
1	The nature of task contributed for the rise in number s of the team leaders/		
	a. Strongly agree	12	17.14
	b. Agree	17	24.29
	c. Neither agree nor disagree	16	22.86
	d. Disagree	9	12.86
	e. Strongly disagree	16	22.86
	Total	70	100
2	To what extent the Geographical position of organization expose the branch heads become many in numbers?		
	a. Strongly agree	4	5.71
	b. Agree	22	31.43
	c. Neither agree nor disagree	24	34.29
	d. Disagree	10	14.29
	e. Strongly disagree	10	14.29
	Total	70	100

Table 7 item 1 shown the contribution of the task limit the number of the team leaders. So the employees respond 17(24.29%) agree, 16(22.86%) neither agree nor disagree, 16(22.86%), strongly disagree 12(17.14%) strongly agree and 9(12.86%) disagree. Therefore the nature of task limits the number of team leaders, then the span of control become narrow and wide.

Table 7 item 2 show in the Geographical position of the organization increase the number of branch heads. For these idea 24(34.29%) employees respond neither agree nor disagree, 22(31.43%) agree, 10(14.29%) disagree, 10(14.29%) strongly disagree and 4(5.71%) strongly agree with an idea.

The organizational branches Geographical position was enable increasing the number of heads.

Table 8 delegation of authority and its costs

No	Items	Respondents	
		In number	In %
1	What is the attitude of top level management in sharing the authority to middle level management in the organization?		
	a. Very high	6	8.57
	b. High	10	14.29
	c. Medium	26	37.14
	d. Low	18	25.71
	e. Very low	10	14.29
	Total	70	100
2	To what extent is the organizational structure conducive for delegations of authorities?		
	a. Very high	10	14.29
	b. High	9	12.86
	c. Medium	26	37.14
	d. Low	15	21.43
	e. Very low	10	14.29
	Total	70	100
3	"Delegation costs much too the organization than centralization"		
	a. Strongly agree	0	0
	b. Agree	18	25.71
	c. Neutral	28	40
	d. Disagree	14	20
	e. Strongly disagree	10	14.29
	Total	70	100

Table 8 item 1 indicates sharing the authority in the middle management. The employees respond 26(37.14%) medium, 18(25.71%) low, 10(14.29%)very low, 10(14.29%)high and 6(8.57%) very high

Table 8 item 2 indicates what is the employees thought about the organizational structure conducive for delegations authority. Then 26(37.14%) respond medium, 15(21.43%) low 10(14.29%) very low, 10(14.29%) very high, 9(12.86%) high, therefore the top level management sharing the authority to middle level management and employees but the

middle level management and employees doubt to implement practically. Because the organizational system missed their confidence.

Table 8 item 3 shown the employees respond about delegation costs much to the organization than centralization for these questions. 28(40% employees respond neither agree nor disagree, 18(25.71%) agree, 14(20%) disagree, and the rest 10(14.29%) respond strongly disagree. Therefore the delegation costs were not too much as we compare to benefit of the organization.

Table 9 ^ The rate of existing managerial resources and the external force

No	Items	Respondents	
		In number	In %
1	Where do you rate the availability of managerial resources in the organization?		
	a. Very high	4	5.71
	b. High	12	17.14
	c. Medium	20	28.57
	d. Low	26	37.14
	e. Very low	8	11.43
	Total	70	100
2	Where do you rate the influence of the external environment to wards the organizational success of objectives?		
	a. Very high	0	0
	b. High	10	14.29
	c. Medium	30	42.86
	d. Low	26	37.14
	e. Very low	4	5.71
	Total	70	100

Table 9 item 1 indicates what do you the rate of managerial resources in the organization, the employees respond 26(37.14%) low, 20(28.57%) medium, 12(17.14%) high, 8(11.43%) very low and 4(5.71%) respond very high. Therefore, the managerial resource of the organization was low.

Table 9 item 2 indicates the employees respond about the external support to success the objectives of the organization, then 26(37.14%) employees respond the stake

holders participation low,30(42.86%) medium, 10(14.29%) high, 4(5.71%) very low. Therefore, the stake holders' participation of the organization was low.

Table 9 delegation risk

No	Items	Respondents	
		In number	In %
29	Delegation risk much too the organization than centralization a. Strongly agree b. Agree c. Neutral d. Disagree e. Strongly disagree	 16 15 26 10 3	 22.86 21.43 37.14 14.29 4.29
	Total	70	100

Table 9 shown Delegation risk much to the organization than centralization the employees respond 26(37.14%) said neutral, 16(22.86%) strongly agree, 15(21.43%) agree, 10(14.29%) disagree and 3(4.29%) strongly disagree. Therefore, the delegation risk was too much than centralization.

Interview Questions and the Respective Results of

Organizational Structure

Would you like to explain about organizational structure of Addis Ababa Transport Office?

The interviews were held with the main process heads, and team leaders those were city public transport and Road Traffic Safety. The interviews focused on formation of organization structure, decentralization of authority and span of management. Then the two main process head and three team leaders respond about the organizational structure they said" the organizational structure had been shown improvement in routine duties but not in main process. Because the organizational structure was not included Addis Ababa Road Authority and Traffic Police and also the organizational structure organized.

- No adequate pilot testing
- The arrangement of the offices were not well organized
- No participation of stake holders
- Poor traffic controlling system and
- Lack of coordination of main process etc

What does the participation of subordinates in decision making look like in your company?

The organizational structures were participated the employees in decision making, but the employees were implemented practically they were exposed for risk. So, the system needs improvement and saving the employees from threat.

How do you see the role of external supportive forces to assist the organizational performance?

The external supportive forces organized separately from transport office and the office need cooperative from the supportive force. They have been given support partially. It was not enough to succeed the organizational objectives.

How do you set the width of span of control across the organizational structure of Addis Ababa Transport Office? The response was as follows

The span of control in some main process units was narrow and the others were wide. There is no uniformity. Because the number of employees were limited by the tasks.

How do you see the process based departments in terms of its contribution to the organization?

The contribution of the departments was poor because there is no cooperative between them. So this is one of the barriers of the organization.

How do you see the role of the existing organizational structure for the performance of the organization?

The role of organizational structure had been shown improvement in routine duties but not in main process so it needs improvement.

CHAPTER FOUR
SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

4.1. Summary

The study invited us to gathering data from managers, team leaders and employees by the helps of questionnaires and interviews so the responses were as follows.

General characteristics of the respondents

- As regards of educational back ground and work experience the study shows that the majority of the employees have diploma, and they are young and they have few years experience.

Organizational Structure

- The study shows that the majority of the employees agreed that the organization need support from another institutions and sharing the responsibility.
- The organizational structure was not suitable for monitoring and controlling and the interviewees respond also that the organizational structure improved on routine duties but not in main process, and the employees were not satisfied by organizational structure.
- The interviews respond the organizational system was not reserved the employees from risks because the systems were not well organized, no adequate pilot testing was made, the arrangement of the office were not suitable, and the responsible institutions were not organized
- According to match the qualification of the employees and the division of the office were not good settlement, the participation of stake holders in the organization was low.
- From the interviews the main process heads and the team leaders participation was not good, and the relation among Addis Ababa Transport Office, Traffic Police and Addis Ababa Road authority was not strong, and the comfortably of the organizational structure to the employees in terms of work flow was low, the cooperation of Addis Ababa Transport Office and Addis Ababa Administration were weak.
- The questionnaire and the interview response from the main process head the rate of traffic jam in the city of Addis Ababa was very high, the causes of that, Poor traffic controlling system and Lack of coordination, the organizational transport fleet was not well organized in the city of Addis Ababa, the stability and the performance of the organization strategic plan was poor.

- The organizational culture of the workers to improve organizational services were good but the interviewees response that the contribution of the departments were poor because there is no cooperative between them.
- The internal labor market in the organization was high,The organizational human power was strong, the organization technological support was started but not ended.

Organizational Span of Control

- The capacity of the employees and the team leaders were high but most of them were not assigned as their qualification so they could not show their capacity.
- The nature of task limits the number of the team leaders, so the span of control was wide or narrow. And the interviewees respond that the span of control in some main process units was narrow and the others were wide therefore the number of employees limited by tasks.
- The Geographical position of the branches were enable increasing the number of branch heads.

Delegation Tradition of the officials in Addis Ababa Transport Office

- The questionarie and interview response were the top level management sharing the authority to middle level management and employees but they did not implemented practically because they did not trust by the organizational system.
- The delegation costs of the organization were not too much than centralization as compare to its importance, but the rate of availability of managerial resources were low, and the rate of influence the external environment
  towards the organizational success of the objective was low.
- Delegation risk of the organization not too much than centralization, but it needs systematic reservation.

4.2. Conclusions

On the basis of the study the conclusion of data gathering of the organization was as shown below

Organizational Structure

1. The organizational structure was need improvement because organizational structure not included supporting institutions like Addis Ababa Road Authority and Traffic Police. and also the office was not organized appropriately, and the structure was not reserved the employees from risks, no adequate time pilot testing ,the arrangement of the office was not comfortable, so the performance of organization not succeed organizational strategic plan except routine duties.

2. The organizational structure was not matching qualified workers and division of the office, the participation of the stake holders were weak, The comfortably of the organizational structure to the employees in terms of work flow was low, the cooperation of Addis Ababa Transport Office and Addis Ababa Administration were weak, the rate of traffic jam could not solved by Addis Ababa Transport Office alone. and also

3. The traffic controlling systems were poor, the organizational transport fleet was not well organized, the cooperation of the main process was poor, and technological support not well organized. Therefore, the organizational structure of the office should have been improved.

    Organizational Span of Control

    The study indicated that the number of middle level management and employees were limited by the organizational duties. But the top level management should have been concentrated on the number of middle level management and employees are not too much because it is difficult to monitoring and controlling.

    Delegation Tradition of Officials in Addis Ababa Transport Office

    The top level management was sharing the authority to middle level management and employees hierarchically. but middle level management and employees were not implemented practically because they could not trust by organizational system ,then it needs improvement. Regarding of delegation cost and risks than centralization, the delegation of the authority preferred than centralization, because the participation of the middle level management and employees were improved and the success of the organizational objectives were performed well and also it reduces risks.

4.3. Recommendations

Based on the finding the study of conclusion the researcher has forward the following recommendation

The study indicated that the organizational structure was shown improvement on routine duties but not in main duties. Those are

- The structure was not hold supportive institutions like Addis Ababa Road Authority and Traffic police, so Addis Ababa Transport Office should have been re-structured and up- grade the status, and also the office should have been
  re- organized under Addis Ababa Administration. and supportive institutions also organized under Addis Ababa transport office and sharing the accountability and responsibility of the office
- To increase mass transport in the city of Addis Ababa the office should have been giving awareness for investors, and drivers, and also the office facilitates roads buses and taxis terminals, and distributes the duties for each institutions, Those are the construction of the Road should have given for Road Authority and Traffic Polices should have been giving support for city public transport main process and road Traffic safety main process by controlling, facilitate the traffic sign, and giving training for students to make as a traffic police etc.
- The office also support by created communication between Anbessa Transport enterprise and the foreigners to increased the number of buses and maintenance by gaining donation or making bilateral to improve the transport facility in the city of Addis Ababa.
- When the office prepared the organizational structure they must have been participated the stake holders and the employees Because the stake holders and the employees support and accepted the organizational rule and regulation, and assigned the employees properly, giving appropriate payment to create motivation and the organizational duties support by technology, therefore all the above duties were performed accurately the office saving the people wealth and human life.

Span of Control

When the organizational structure was improved, the team leaders and the employees also assigned on proper position, so it developed their motivation, eagerness to know new idea and increase creativity, therefore the capacity of the team leaders and the employees were developed.

Even though the duties were limited the number of team leaders and employees, the top level manager should have been limited not too much.

Delegation Tradition of the Officials in Addis Ababa Transport Office

The top level management delegates the authority to middle level management and the employees hierarchically but all middle level management and employees were not implemented practically because they did not believe organizational system, so it needs improvement of the system with the helps of technology and the system were secured by assigned loyal person facilitated necessary condition.

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Declaration

I, the undersigned, declare that this Senior Research is my work and that all sources of material used in this senior research have been duly acknowledged.

Name   _____

Signature _____

Place   _____

Date

Advisor's Approval

The Senior Research has been submitted for examination with my approval as the University College advisor.
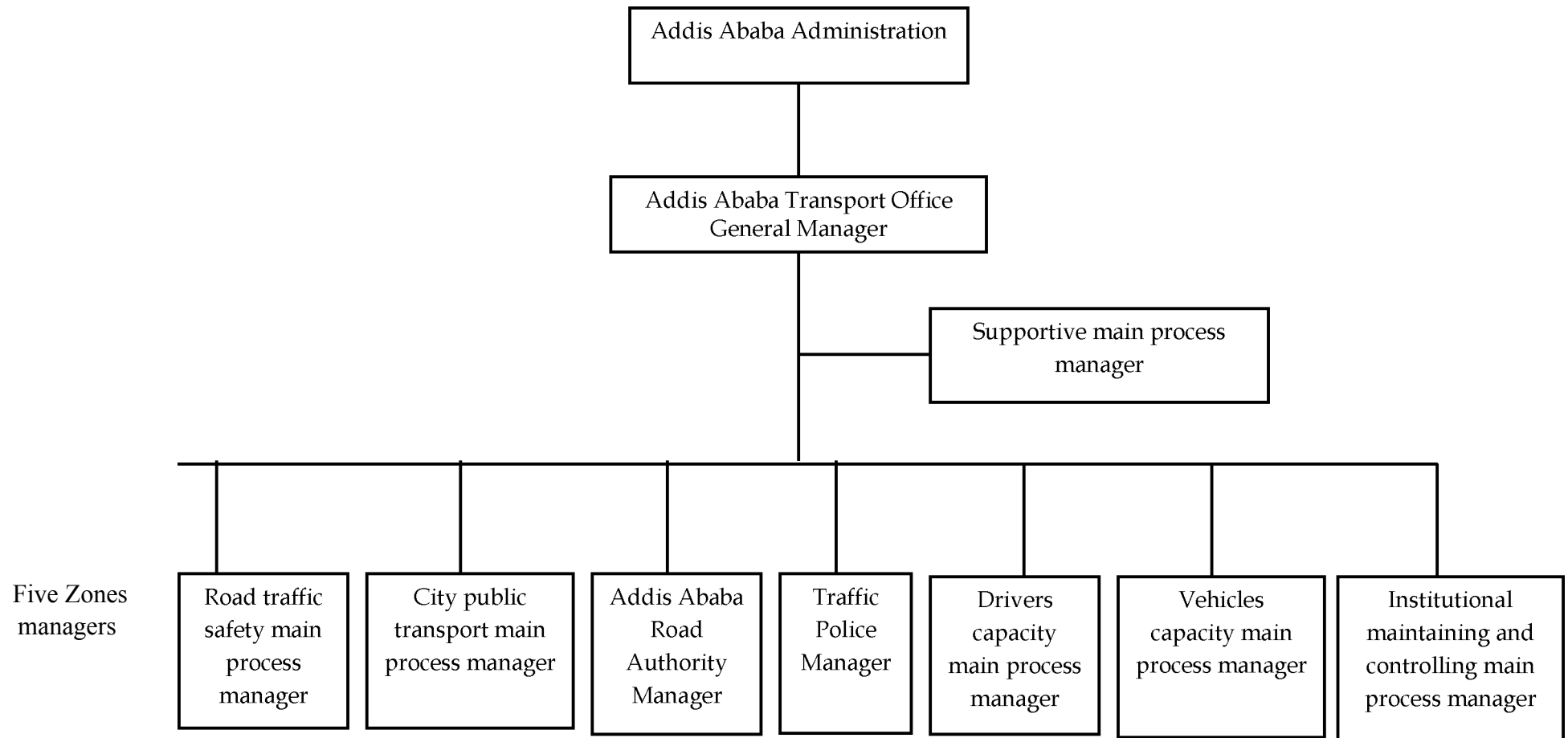
Name: _____

Signature: _____

Date:

APPENDICES

Organizational Structure of Addis Ababa Transport Office

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┌─────────────────────────────┐
│   Addis Ababa Administration │
└─────────────────────────────┘
              │
┌─────────────────────────────┐
│  Addis Ababa Transport Office│
│      General Manager         │
└─────────────────────────────┘
              │        ┌──────────────────────────┐
              │────────│ Supportive main process  │
              │        │        manager           │
              │        └──────────────────────────┘
```

Five Zones managers

| Road traffic safety main process manager | City public transport main process manager | Addis Ababa Road Authority Manager | Traffic Police Manager | Drivers capacity main process manager | Vehicles capacity main process manager | Institutional maintaining and controlling main process manager |

N.B

Five Zones

- ■ Northern Zone
- ■ Southern Zone
- ■ Eastern Zone
- ■ Western Zone
- ■ Central Zone

Questionnaire to be Filled by Employees

This questionnaire is designed to collect data for a research paper to be conducted as a partial fulfillment of BA degree in Management. The purpose of the study is to assess what the formation and design of the Organizational Structure of Addis Ababa Transport Office look like. Your genuine responses for the questions are extremely important for the successful completion of this work. The information you provide is used only for the purpose indicated and you are kindly requested to freely responding to the questions. Thank you!

Instruction

- circle on a letter of your choice
- do not write your name

A. General characteristics of the respondent

1. sex

   a. male   b. female

2. Educational back ground
   a. below grade 12 b. certificate c. diploma d. first degree e. second degree
                                                          & above

3. work experience
   a. below five year b. between 5-10 years c. between 11-16 years d. 17-22 years
    e. 23 and above years

4. age
   a. 18-24 years b 25-31 years c. between 32-38 years d. 39-45 years and
      above
    e. 46 years & above

B. specific questions
Questions related to choice of organizational structure

5. When you perform your duties to what extent you need support from another organization?
   a. very high   b. high c. medium   d. low   e. very low

6. Where do you rate the support you get from supportive institutions like traffic Police and Addis Ababa Road Authority?
   a. very strong b. strong c. medium d. weak   e. very weak

7. To what extent does the organizational structure is suitable for monitoring and controlling the external institution?
   a. very high b. high c. moderately   d. low e. very low

8. What is the level of your satisfaction to the performance of the organization?
   a. very high   b. high c. medium   d. low e. very low

9. There is a job qualification match in almost all the divisions of your office
   a. strongly agree b. agree c. neither agree nor disagree d. disagree
   e. strongly disagree

10. To what extent does the organization involve the stake holders participation to implement the organizational goal?
    a. very high b. high c. medium d. low e. very low

11. To what extent you feel comfortable with the organizational structure of the company in terms of work flow?
    a. very high b. high c. medium d. low e. very low

12. Where do you rate the spirit of cooperation between the branch of Addis Ababa Transport Office and City Administration to implement the transport rule and regulation?
    a. very good b. good c. medium d. weak   e. very weak

13. How do you rate the level of traffic j am in the city?
    a. very high b. high c. medium d. low e. very low

14. "The organizational transport coordination is comfortable for the people of Addis Ababa"
    a. strongly agree b. agree c. neither agree nor disagree d. disagree
    e. strongly disagree

15. What is the stability of the organization to implement organizational strategic plan?
    a. very stable b. stable c. neither stable nor instable d. instable
    e. strongly instable

16. How the organizational culture of the workers to improve the organizational service?
    a. very strong b. strong c. moderate d. weak e. very weak

17. How the need of internal labor market in the organization?
    a. very high b. high c. medium d. weak e. very weak

18. How about the human power to perform the organizational strategic plan?
    a. very strong b. strong c. moderate d. weak e. very weak

19. To what extent the organization operational service is supported by Technology?
    a. very high b. high c. medium d. low e. very low

Questions related to choice of organizational span of control

2

20. To What extent the capacity of your collegue to make their work in the organization?
    a. very high b. high c. medium d. low e. very low

21. To what extent the team leader professional capacity to guide all the workers in the organization?
    a. very high b. high c. medium d. low e. very low

22. What is the rate of team leaders in numbers by the nature of tasks of the organization?
    a. very high b. high c. medium d. low e. very low

23. To what extent the Geographical position of organization expose the branch heads become many in numbers?
    a. strongly agree b. agree c. neither agree nor disagree d. disagree
    e. strongly disagree

Questions related delegation tradition of the officials in Addis Ababa Transport Office

24. What is the attitude of top level management in sharing the authority to middle level management in the organization?
    a. very high b. high c. medium d. low e. very low

25. To What extent is the organizational structure is conductive for delegations of authorities?
    a. very high b. high c. medium d. low e. very low

26. Delegation costs much to the organization than centralization?
    a. strongly agree b. agree c. neutral d. disagree e. strongly disagree

27. Where do you rate the availability of the managerial resources in the organization?
    a. very high b. high c. medium d. low e. very low

28. Where do you rate the influence of the external environment towards the organizational success of the objectives?
    a. very high b. high c. medium   d. low e. very low

29. Delegation risk much to the organization than centralization
    a. strongly agree b. agree c. neutral d. disagree e. strongly disagree

These interviews are prepared for the units head/ Department Head

1- Would you like to explain about organizational structure of Addis Ababa Transport Office?

2- What does the participation of subordinates on decision making look like in your company?

3- How do you see the role of the supportive forces to assist the organizational performance?

4- How do you set the width of span of control across the organizational structure of Addis Ababa Transport Office?

5- How do you see the process based departmentation in terms of its contribution to the organization?

6- How do you see role of the existing organizational structure for the performance of the organization?

Thank you for your cooperative

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