



ANALYSIS OF THE EFFECTS OF ORGANIZATIONAL STRUCTURE ON SOFTWARE DEVELOPMENT COMPANIES IN SRI LANKA

BY

W. M. I. Kethakie Bandara Wahundeniya

Supervised by

Dr.Vathsala Wickramasinghe

The Dissertation was submitted to the Department of Management of Technology
if the University of Moratuwa in partial fulfillment of the requirement for the
degree of Master of Business Administration.

Department of Management of Technology
University of Moratuwa, Sri Lanka

2009

94836



Abstract

Software development industry is a rapidly booming industry in Sri Lanka. New software companies are coming up every year. Software development is a highly human skill related industry. It requires the brain to work all the time. Therefore the satisfactory work environments in these organizations may play a major role in the performance and productivity. Organizational structures define these work environments. There have been previous researches done with regard to organizational structures in different industries. In general the concepts of characteristics of the different organizational structures, performance and incentive schemes are related with organizational structure. In this research, the organizational structures of software development companies were analyzed with relation to these concepts to identify if there are significant differences in them. A conceptual model was built to analyze the different effects of organizational structure. The research also targeted on finding the preference of employees. According to the final results, employees gain more work satisfaction as well as show more preference in working in flat structured organizations in contrast to hybrid structured organizations. The respondents also felt that there was more society recognition provided from tall structured organizations in relation to hybrid structured organizations.