**Response Paper: Organizational Theory**

Christopher S. Guillory

Texas A&M University-Commerce

HHPS-584

Dr. Hoyeol Yu

July 20, 2025

**Response Paper: Organizational Theory**

**Organizational Theory:** the study of how organizations function including their **structure,** processes and how they interact with their **environment.**

**Environmental factors** impacting an organization include but are not limited to:

* The rise and fall of the economy
* Advancements in technology
* Ever-changing generational and cultural trends
* Political ideologies and war
* Natural disasters

For example, an organization such as a personal training business may be more profitable during a time when the economy is booming as people will have extra spending money to put towards their health and fitness. However, when the economy falls and people are focused on just surviving, this type of organization will experience extreme drought.

There are many different approaches to the way an organization is **structured:**

* **Rational:** structured around “rules” to efficiently and precisely meet specific pre-determined goals. This type of organization excels in methodology and speed, but fails to adapt to the ever changing environment.

Example: A rational personal training business will have a pre-determined sales goal, a set product/package (i.e. training methodology), and a set price for the training package. The personal training organization will easily track incurred income and has a structured plan for how income will be generated.

* **Open:** big picture goals are understood with less regulation required to meeting the goals. This element of organization excels in adaptability, but struggles with structure.



Example: An open personal training organization has the overarching goal of income generation, but each personal trainer is able to set their own rate, customize their own product, and tailor their program individually. This program excels in individuality and creativity, but it is difficult to assess the productivity of the organization as a whole when some trainers are excelling and others may be falling behind.

In summary, the best organizations will adopt principles of both open and rational systems. They will take measures that factor into their ever changing environment (economy, technology, and politics) in order to remain one step ahead of their competitors and to persist in relevance in an ever changing world.

‘

**References**

Lussier, R. N., Kimball, D. C. (2019). Applied Sport Management Skills (3rd Ed). Human Kinetics. ISBN-10: 149257015X