

Impact of Organizational Complexity on Public Value Creation: A Study on Divisional Secretariat Nuwaragam Palatha (Central) in Anuradhapura District, Sri Lanka

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Abstract

In Sri Lanka, the government provides a vast array of services to the public, which is essential for the smooth functioning of the public administrative organization as well as of the society. Yet, the public sector performances are often criticized by the stakeholders due to poor quality of services, inefficiency and ineffectiveness, indicating critical problems in public value creation. Even though organizational complexity has been identified as a main factor underlying public value failures, there are hardly any studies in the Sri Lankan context exploring the impact of organization complexity on public value creation. Thus, the present study attempts to explore the impact of organization complexity on public value, referring specifically to the process of business registration carried out by the Divisional Secretariats as an island-wide service. For this purpose, the study examines how the complexity of the business registration process impacts the creation of public value in the Nuwaragam Palatha (Central) Divisional Secretariat. Being the independent variable, organizational complexity was assessed through four main dimensions: Integration of organization units, human resources engagement, stability of procedures, clarity and security of information. The population for the study was all the applicants who have applied for registering their business and a sample of 196 was selected according to business registration register (2019, 2020), where the response rate was 41% (81 respondents). Data were collected through a questionnaire and analyzed with descriptive statistics and regression analysis, using SPSS statistical package. It was found that the business registration process contains few steps and needs the collaboration of few government agencies, to be completed. According to the statistical results, integration of organization units, human resources engagement, stability of procedures, and clarity and security of information has a strong positive impact on public value. It implies that the organizational complexity can be kept at a convenient level by focusing on these areas, thus increasing the public value.

Keywords: Clarity and security of information, human resources engagement, integration of organization units, public value, stability of procedures