Notes:

ORGANIZATIONAL STRUCTURE

[image from: http://www.dkimages.com/discover/Home/Business/Effective-Leadership/Effective-Leadership-23.html]

Who's the boss? What is my job? What do other people do? How is the authority and responsibility distributed? These questions are all answered in the way the organization is formally and practically structured.

1. ORGANIZATIONAL THEORY

The most important concept in classical organizational theory is that of HIERARCHY.

1. Scalar Principle: Authority is established at the top of the organization and flows in a vertical line down to the lower levels of the structure.

2. Unity of Command: Ultimately one body is responsible, and no individual should be accountable to more than one other for any given task or area of responsibility.

3. Span of Control: The number of employees that one manager can supervise.

> Depends on a) the capability of the supervisor,
> b) the skills and commitment of the employees being supervised,

Notes:

     c) the difficulty and level of uniformity of the tasks, and

     d) managerial approach and trust.

Another important idea in organizational theory is that of DEPARTMENTALIZATION.

Why departmentalize?

     a) to break down or specialize work tasks
     b) to simplify coordination tasks
     c) to maintain better control

On what basis do we departmentalize?

     a) by function
     b) by place
     c) by clientele
     d) by product

Departmentalization is described and illustrated by means of the ORGANIZATIONAL CHART.

How do levels in the organizational chart relate to work responsibilities?

Principles in developing an organizational chart:

1. Hierarchy, unity of command, span of control
2. Symmetry
3. Descriptive job titles / consistency at levels
4. Advisory and administrative support lines
5. 1 box may represent individual or unit

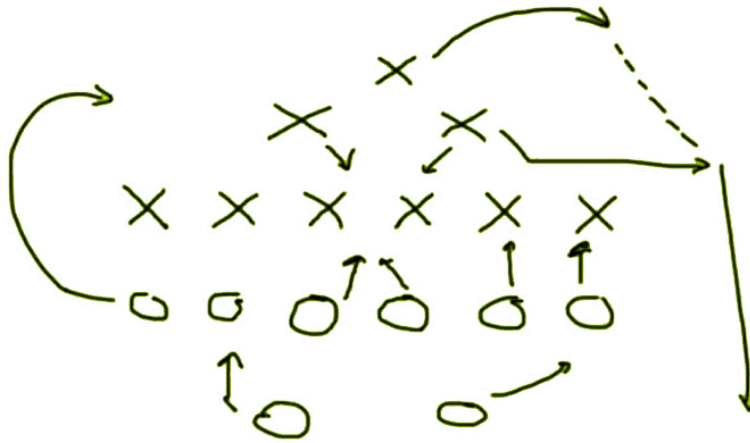| Chart Making Tools |
|---|
| **Microsoft Office** |
| Most versions of the *Microsoft Office* suite (PC or Mac) include *Organization Chart*, a relatively easy and robust program for creating organizational charts. |
| **Omni Graffle** |
| *Omni Graffle* is also a powerful chart making tool that takes advantage of the Mac's graphics capabilities |

Organizational Function: Reality Check

"An organizational chart is the way things look until the ball is snapped."

The practical rigidity of an organizational structure places that structure at a position somewhere along a continuum between mechanistic (rigid) and organic (living, flexible).

Factors in deciding position along the continuum:

1. Specialization   4. Centralization
2. Standardization   5. Configuration
3. Formalization   6. Flexibility

MECHANISTIC ORGANIZATIONAL STRUCTURES

1.   Goal segmented to fit specialization and functions
2.   Precisely defined rights, obligations and methods
3.   Concern over "Doing your job" rather than achieving overall goal
4.   Supervisor acts as biased referee
5.   Control, authority and communication follow hierarchical patterns
6.   Assumption that higher-ups are better able to make decisions
7.   Interaction follows hierarchical lines
8.   Instructions from superiors govern work activity
9.   Loyalty a condition of membership
10.   Prestige locally based (hierarchy)
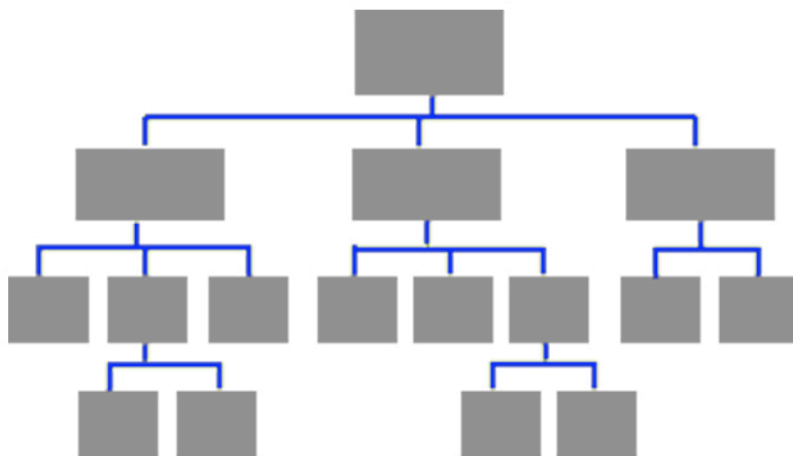
ORGANIC ORGANIZATIONAL STRUCTURES

1. Expertise is goal oriented, not job oriented
2. Assignments are based on relevance to job, not on glamour
3. People ask "What needs to be done?" rather than "What am I responsible for?"
4. Problems are not pushed to a different level
5. Wide network of control, authority and communication
6. Ad hoc locus of expertise
7. Interaction is more lateral than vertical
8. Advice more than instruction and decisions
9. People committed to organizational task
10. Prestige attached to expertise and external affiliations

MECHANISTIC_____ ORGANIC
 Bureaucratic / Linking Pin / Systems / Matrix / Decentralization / Federation / Free Form

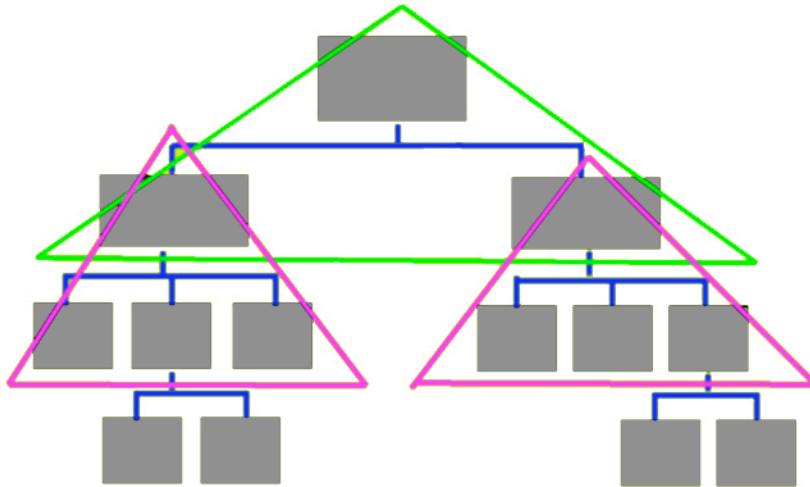
STRUCTURAL MODELS

1. Bureaucratic Model

      "an authority system where supreme authority rests somewhere above the individual, and the individual's responsibility consists, basically, of obeying orders and performing those tasks which are inherent in the particular job."
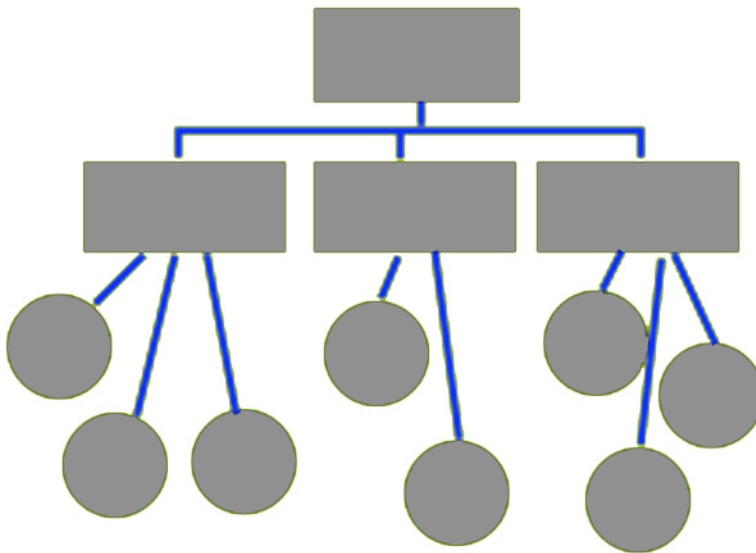
2. Linking Pin Model

Within each work multi-level division there is a position that links to other work divisions.
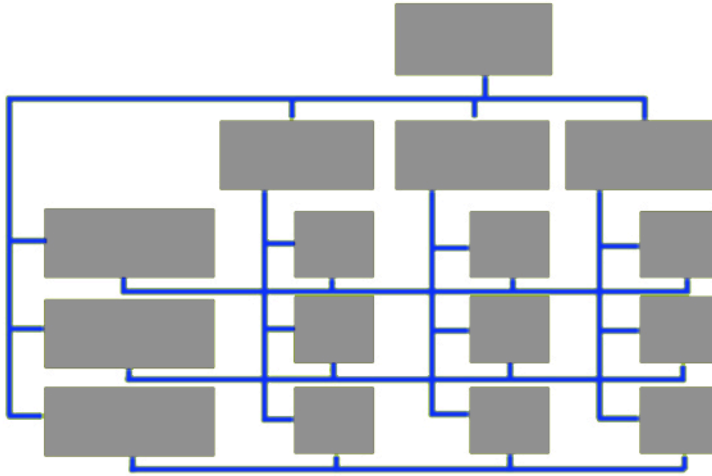

3. Systems Model

Each task of a specific process is organized into a functional unit with an organizational structure best suited to the accomplishment of that task.
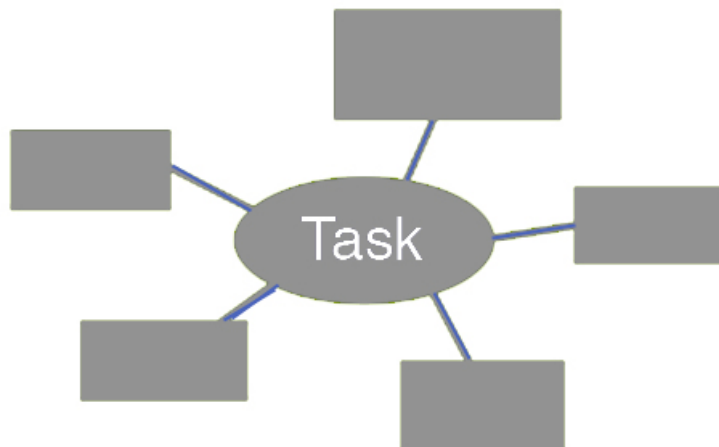
4. Matrix Model

Merges two or more departmentalization criteria within one organizational structure. Program or project teams are drawn from other functional units.

5. Decentralization Model

Form is identical to bureaucratic structure, but decision-making structure is different. Attempts to disperse decision-making control.

6. Federation Model

Notes:

       Manager serves primarily as a facilitator. All units are independent and autonomous, but held together (perhaps only temporarily) to achieve a common goal.

7. Free Form Model

       No rigid role definition or structure. "cautious anarchy"